

# The National Underwriter

LIFE INSURANCE EDITION

FRIDAY, NOVEMBER 14, 1924



New Home Office Building  
720 N. Michigan Ave.  
Chicago

Agency Openings in  
Illinois  
Minnesota  
Kansas  
Iowa  
South Dakota  
Texas  
Missouri  
Nebraska  
Michigan

## On Objectives

There are a lot of people and any number of concerns that lose their ambition as soon as they obtain their first big objective.

You may have heard about the shabby old colored man, who, when approached by a busy housewife with the query, "Would you like to make a quarter?" replied: "Who, me? Say, lady, I'se GOT a quarter."

The Central Life has not reached its objective. It probably never will. We are continually striving to be better and bigger, to render every possible aid and service. Are we succeeding? Look at our splendid growth, and ask our agents why they like the Central Life. You'll find no QUARTER ambitions here.

**The Central Life Insurance Company of Illinois**  
720 North Michigan Avenue  
CHICAGO, ILLINOIS

# A Radical Improvement In Agency Operation:

An agency connection offering all of the remunerative advantages of a General Agency (with none of its disadvantages) and all of the advantages of a Branch Office in attracting and holding men, (with none of its disadvantages).

## THE National Life Insurance Company of the United States of America

ALBERT M. JOHNSON, President,

has made an exhaustive study of the agency organization problem. Most ambitious men seek General Agencies and yet the Branch Offices show the greatest growth in agency personnel and production. The capable General Agent recognizes the advantages in making "direct" contracts but dislikes the income limitations of Branch Office operation. The capable Branch Office man likes the profit-making possibilities of a General Agency but dislikes the disadvantages of operating as "in-between" the field man and the Home Office.

**THIS COMPANY HAS WORKED OUT AN ARRANGEMENT  
WHICH ENABLES THE MAN OF ABILITY TO ATTRACT  
AND HOLD MEN AS A BRANCH OFFICE HOLDS THEM  
AND AT THE SAME TIME TO ENJOY ALL OF THE PROFITS  
INCIDENT TO THE GENERAL AGENCY SYSTEM OF  
OPERATION.**

The most successful young men financially, and in every other way, as a result of this experiment, are those who are operating on our National Life of the U. S. A. unique plan. It marks a great forward step in the evolution of the agency organization program.

We are now prepared to make appointments in additional and important territories and seek men capable of making the most of their opportunities and to enjoy the benefits of our plan. The openings are few and located in Indiana, Ohio, West Virginia, North and South Carolina.

Write and tell us all about yourself—and what you believe you can do—and we will tell you how we can help you do it by the National Life of the U. S. A. Plan. Address either

**Robert D. Lay,**  
Vice-President and Secretary

**Walter E. Webb,**  
Vice-President

**29 SOUTH LA SALLE STREET  
CHICAGO**

**A fine OLD COMPANY for  
AMBITIOUS YOUNG MEN**  
Established 1868

**More than \$160,000,000  
Insurance in force**

# The National Underwriter

## LIFE INSURANCE EDITION

Twenty-Eighth Year No. 46

CHICAGO, CINCINNATI AND NEW YORK, FRIDAY, November 14, 1924

\$3.00 Per Year, 15 Cents a Copy

### THURMAN NEW HEAD, OF AGENCY OFFICERS

Annual Meeting Brought Out  
Large Attendance of Company  
Men at Chicago

### MANY JUNIORS PRESENT

Discussions and Reports Were Practical  
and Gave Valuable Suggestions to  
Those At Convention

At the annual meeting of the Association of Life Agency Officers in Chicago, this week, Oliver Thurman, superintendent of agents, of the Mutual Benefit, and vice-chairman, was chosen chairman. Charles Hommeyer, Union Central, was made vice-chairman and L. P. Brigham, National Life of Vermont, secretary-treasurer.

The new members of the executive committee consist of H. H. Armstrong, Travelers; Alexander Mackenzie, Manufacturers Life; R. W. Stevens, Illinois Life, and H. J. Miller, Metropolitan Life. The hold-over members are Mr. Thurman, Dr. T. C. Denny, Central Life of Des Moines; J. G. Stephenson, London Life of Canada; Philip Burnet, Continental Life of Delaware and Charles Hommeyer, Union Central Life. The nominating committee consisted of Glover S. Hastings, New England Mutual, chairman; E. G. Simmons, Pan American Life and A. Gordon Ramsay, Canada Life.

#### Informal Vote on Meetings

An informal vote was taken as to the time and place of holding the annual meeting. Heretofore the meetings have been held on Armistice Day in Chicago. An informal expression showed that the majority were in favor of holding the meeting at some other time. There was a movement set on foot to change the place of meeting but the big majority voted in favor of continuing to meet in Chicago.

Charles Hommeyer of the Union Central, who is chairman of the special committee to consider the matter of twisters, brought in a report stating that the committee confined its attention largely to the work of so-called "adjusters," "experts" and "actuaries." These people advise changes, which he said were almost always to the disadvantage of policyholders. The work is for the personal profit of the twister. The companies in which the original insurance is written, the committee declared, can effect any changes to meet altered conditions, in a way that will involve no sacrifice of any equity the policyholder has. The committee recommended:

#### Recommendations Are Made

1. That the companies decline to receive any applications directly or indirectly from so-called "experts" or "adjusters," and refuse to secure licenses for them.

2. The companies in their applications should ask the question, whether

### AGENCY EXECUTIVES ARE PLANNING FOR BIG NEW BUSINESS CAMPAIGN

AGENCY executives, who were attending the meeting of the Association of Life Agency Officers in Chicago this week, are practically all laying plans for a vigorous business getting campaign owing to the optimistic sentiment in the air and the feeling in general that there will be a big rebound following the presidential election. It seemed to be the general opinion that now is the time to put on steam.

The presidential election brought out the fact that numerically the radicals are not as strong in this country as had been anticipated. Conservative business men are rather impressed with the expression of confidence in the present system of government and the practices that have been observed.

#### Better Day for the Farmer

The agency managers believe that the condition of the farmer will be greatly improved owing to better prices. His buying power will be more pronounced. The response of the stock market has been very gratifying. The market value of many securities has gone upward. There has been more snap in the stock exchange. Investors are keener at the bit. Thousands of orders were held

back awaiting the result of the election. Since then they have been entered.

#### Improved Conditions Abroad

The feeling exists among life insurance officials that the financial system abroad will be considerably improved, now that the reparations settlement has been consummated. This will bring Germany into the buying market and will create a bigger demand for American products. People as a whole believe that for the next four years at least, the government will be kept out of business, private institutions will be allowed to go along without being harassed and there will not be the solicitude over what the government may do.

There are some activities that are considerably depressed, such as clothing, millinery, leather goods, and the like. The mild autumn has held back the sale of winter goods.

Taken as a whole however, business conditions are in a better condition than they have been for some time. Life men feel that now is the time to take advantage of this golden opportunity.

the insurance applied for is to take the place of any other insurance, and if so, in what companies.

3. The companies should adopt the reciprocal policy of advising other companies, when the answer of the applicant is in the affirmative. If possible, the insurance in the former company should be conserved.

4. Each company should send to its agents definite printed instructions on this subject.

5. A sub-committee should be appointed to secure the largest possible cooperation of companies in order that the plan may be successful.

#### Work Will Continue

It was voted to continue the committee with Mr. Hommeyer as chairman. Mr. Hommeyer stated that the committee desired not only to rid the business of twisters in the form of "experts" and "advisers," but any sort of twister. He said that the committee had urged that the president or guiding executive of companies write to the committee giving their position on twisting. Therefore, when an agent finds that the agent of another company is trying to twist his case, he can show the policyholder the letter from the head of this particular company in the effect of twisting.

#### Banquet Was Held

The convention hall was packed to the doors on Tuesday evening, when the annual banquet was held, the presence of junior, as well as senior officers, swelling the attendance. Oliver Thurman of the Mutual Benefit presided. The speakers were former Senator James Hamilton Lewis of Illinois and John William Clegg, president of the National Association of Life Underwriters. Senator Lewis' talk was largely an Armistice Day talk in eulogy of the fallen heroes of the war and thus was broadcasted over the radio station WEBH, the Edgewater Beach Hotel

### EXECUTIVES GRATIFIED ON ELECTION RESULTS

Anticipate General Improvement  
in Business Under Coolidge  
Administration

### SEE END OF RADICALISM

Hope to Overthrow Fitzgerald Bill  
in View of National Election  
Trend

NEW YORK, Nov. 12.—Company executives continue to express gratification over the results of the recent election, and to predict a distinct improvement in the general business situation throughout the country. The heavy vote accorded President Coolidge, paralleling as it did the result of the general elections in Great Britain the week previous, attests the determination of the great mass of the people of the two nations to hold to administrative policies of proven worth, and to fight shy of all communistic theories, whether these be advanced by well meaning but impractical idealists or by skilled plotters intent only upon the attainment of selfish ends, wholly regardless of the welfare of the people as a whole.

#### Stock Exchange Gratifying

One of the best business barometers of the country is the New York Stock Exchange. The rise or fall of the price of securities there dealt is evidence of faith or lack of confidence, as the case might be, in the future worth of investments. Of course, the price fluctuations upon the exchange are influenced considerably by professional trading, but its large movements are always dictated by the outside investors, and these are guided by political and economic considerations almost wholly. While the business men of the east felt very confident of the success of the Republican party in the recently concluded campaign, few were prepared for the overwhelming victory it scored; hence the extreme pleasure voiced when final returns were tabulated. The response of the exchange to the news was an advance in the price of practically all listed securities, the increases in certain standard stocks being as much as 5 percent.

#### Gives Administration Support

The belief of the average business man here is that with a Republican Congress behind him, President Coolidge will now be able to carry into effect the administrative policies he has long been known to favor, but which thus far he has been unable to carry out. The clear lesson of the late campaign was the confidence the people have in the president and their determination that he be supported in his views. In the light of the returns the Congress will perform support the administration, and business men are planning their future moves with that thought in mind. President Coolidge is squarely upon record as favoring individual effort and in opposi-

(CONTINUED ON PAGE 36)

tion to government ownership or the hampering regulation of private business enterprises. Again, he is committed to a policy of tax reduction, so that the commercial and industrial enterprises of the land may be relieved of a burden that has borne so heavily upon them in recent years. The continuance in power of the Republican party assures moreover, that there will be no serious tampering with the tariff for another four years at least. This will permit manufacturers to turn out and merchants to buy stocks, assured that the prices will be stable and that they will not face a possible heavy loss, which would be the case had a marked change in tariff regulations been a probability.

#### Expect Insurance Boom

So far as premiums are concerned all fire insurance companies are complaining over the dearth of new offerings; feeling well content if they are able to maintain the former volume. With the general election over, the prevailing belief is that it now needs but more reasonable weather for general business to improve, steadily but surely. Manufacturers will turn out and distributors buy standard goods in sufficient quantities that will justify storage, and that will mean increased fire insurance coverage. Fortunately investments have been well sustained and still better prices are expected to be reached before the close of the year.

The big result of the election, in so far as underwriters of all persuasions, and more particularly the casualty men, are concerned, is the blow that was dealt radicalism. Labor will not be so arrogant in future in advancing its claims, nor will the proponents of monopolistic state compensation fund schemes be so free in advancing their views in the light of the declared stand of the people for conservatism.

#### Hope to Defeat Bill

The Fitzgerald bill, proposing a monopolistic compensation fund for the District of Columbia is on the calendar and will likely come up for consideration at the December session of Congress. While it will likely be pushed hard by its sponsors, the action of Missouri, in defeating by a vote of 200,000 the same plan offered the people in that state, and the rejection by the citizens of Oregon of a proposed amendment to the state fund act making membership in the fund by all classes of employers obligatory, is sure to influence the action of the national legislators in their attitude toward the District of Columbia measure. It is the belief of casualty underwriters that few of the leaders in the labor movement are sincere in their advocacy of monopolistic state compensation funds, and that they only support such measures at the behest of the state leaders, who are actuated more by a desire to gain political office than by any real concern for the welfare of the industrial classes.

#### See Greater Life Business

The life insurance companies of the land have all been doing a satisfactory business since the beginning of the year, and their managers anticipate still larger opportunities for the sale of indemnity under the continued Coolidge administration. They are likewise gratified at the prospect for reduced taxation and for the strong prospect of the stabilizing of investment security values. With the passing of the radical element in the national and many of the state governments, which the recent election presages, there is likely to be little talk of government ownership of railways and of public utilities, or of hampering restriction upon private businesses of any character.

Altogether the insurance fraternity is thoroughly satisfied with the outcome of the voting on Nov. 4, and managers and agents alike are now concentrating their energies to developing expansion plans for their respective organizations or offices.

The liquidation of the Serb Federation Sloga, a fraternal, by the New York department, has been completed.

## MANY NOT DISTURBED

### HALF RATE POLICY QUESTION

**Officials in General Do Not Believe That Active Agents Will Push This Contract**

A number of life insurance officials do not seem to be perturbed over the so-called half-rate policy that has been put out by the Aetna Life and Prudential. This policy was used some 25 years ago by the Canada Life, but never made much of an impression. It has been used in modified form now and then, but owing to the fact that the commission is small, the agents have practically buried the contract.

#### Policy Actuarially Correct

The so-called half-rate policy is actuarially correct. The only difference between this policy and the convertible five year term policy, is that the rate on the five year period is higher, thus enabling the companies to create something of a reserve, and there does not have to be any medical certificate or examination, when the assured goes on the higher rate, as is the case with the term contract.

#### Low Commissions a Handicap

When the higher rate starts, it is somewhat lower than that for the attained age. Take age 35 for example. One man starts his regular whole life contract at the rate at age 35. Another takes the half rate policy, paying a lower rate for the first five years, and then paying a higher rate at age 40, and the rest of the time than the first man does. In the long run, they will both pay the same so far as a large group of the same age is concerned. If the man who takes the lower rate policy dies within the first five years, naturally he has had an advantage over the one who took the policy at the regular rate at age 35.

Company officials declare that the lower commission earned on the half rate policy will never bring it into popularity. It will be used in competition in order to save business. Where a prospect cannot be swung to the regular form, the half-rate policy will be used.

The other companies do not seem to be exercised about it. Many agents feel that this may be a dangerous innovation, because if the policy is pushed, it may convince the companies that they can get their business at lower cost by using a policy of this kind.

## HEALTH LINE WATCHED

### EXPERIENCE IS STILL BAD

**Casualty Companies Are on the Anxious Seat As to This Class of Business**

NEW YORK, Nov. 12.—Health insurance problems are by no means solved. At home offices there is still much discussion as to what attitude should be taken, especially toward the adoption of the waiting period. More companies seem to feel that if health insurance is to be permanent and put on a favorable basis, at least a week's waiting period should be required. Statistics show that one-third of the benefits paid are caused by illnesses of a week or less. Naturally, companies could afford to give a better rate if a waiting period were required. Most companies are getting away from partial disability so far as health insurance is concerned. Their policies pay for the time that a man is actually unable to do any work. There is much controversy over the restrictions placed about partial disability and house confinement.

#### Large Benefits Policies

Perhaps one of the features in health underwriting that causes the most concern is the claim ratio on policies paying rather large benefits. Some interesting statistics have been compiled showing claim ratios on policies giving \$15 a week benefit or less, from \$15 to \$25 a week, from \$25 to \$50 a week, from \$50 to \$100 a week and from \$100 upwards. In this connection the loss ratio on the first class, or those policies paying \$15 or less a week is comparatively low. It increases sharply in most states with the larger benefits. When the \$100 a week class is reached, the ratio in a number of states is upwards of 90 percent. Policyholders of this class, overcome with nervous prostration or some other malady, find it necessary to go to some resort and spend the winter. The moral hazard, so to speak, on these higher benefit policies, is very pronounced. Men of large incomes seemingly will take advantage of the situation and have a prolonged vacation.

#### Equitable of Iowa Gains

The Equitable Life of Iowa is making great strides in business this year, having written \$47,817,476 in new paid-for business between Jan. 1 and Oct. 1, 1924. This is a gain of \$5,270,672 over the same period of last year.

## SEEK INCREASED TAX

### WOULD MAKE COMPANIES PAY

**Michigan Teachers' Association Proposes Plan to Raise Funds for Better School Facilities**

LANSING, MICH., Nov. 11.—An additional tax on the business of foreign insurance companies operating in Michigan which might amount to as high as \$1,000,000 annually will be levied if a plan just announced by the Michigan State Teachers' Association to increase the primary school fund is successful. Initiatory petitions have been prepared, according to E. T. Cameron, secretary of the association, to bring about the passage of a bill levying such a tax on out-of-state insurance concerns and on inheritances, the revenue derived, which will total \$6,000,000, to be used to provide adequate school facilities in sparsely populated districts where the present funds, distributed on a per capita basis, are inadequate.

#### Would Levy Flat 3 Percent

Under the present law, insurance companies with home offices outside of the state are required to pay a tax amounting to 3 per cent in the case of all concerns writing fire, marine, and automobile business, and but 2 per cent on some special classes written by old line, legal reserve life companies. This tax is assessed on the gross premiums and amounted to over \$2,000,000 for the year ending June 30, 1924. Under the requirements included in the new bill, the levy would be raised to a flat 3 per cent for all companies, thus raising at least \$750,000 additional annually, its sponsors declare.

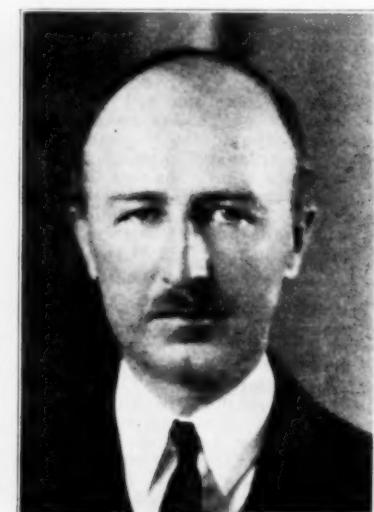
#### Claims Signatures Can Be Had

If enough signatures are obtained, that is, 8 per cent of the vote for governor at the last election, the Michigan initiatory law provides that the bill be presented to the legislature and if that body does not pass it within 40 days it must go to the voters. Supporters of the plan claim that sufficient signatures can be obtained to insure presentation of the proposed act when the legislature convenes Jan. 7, 1925. Whether the legislature, most of the members of which have been chosen on economy platforms, will pass such a measure is problematical, as considerable agitation has been forthcoming from time to time in favor of reducing rather than increasing the primary school fund.

## LIFE AGENCY OFFICERS ASSOCIATION LEADERS



OLIVER THURMAN  
Newly Elected Chairman



L. SETON LINDSAY  
Retiring Chairman



CHARLES HOMMEYER  
Chosen Vice Chairman

## HOLD ANNUAL MEETING OF RESEARCH BUREAU

Discuss Feasibility of Making a Quarterly Survey of Lapses

### GREAT INTEREST IS SHOWN

Study of General Agency and Branch Office Expenses Is Being Conducted at Present

The third annual meeting of the Life Insurance Sales Research Bureau was held at Chicago Monday in connection with the meeting of its parent organization, the Association of Life Agency Officers. The attendance was considerably larger than expected, and a great deal of interest was manifested in the work of the bureau. John M. Holcombe, Jr., manager of the bureau, expressed his appreciation of the attend-



**JOHN M. HOLCOMBE, JR.**  
Manager Sales Research Bureau

ance and the hearty cooperation of member companies during the year.

The announcement that the bureau expects to undertake a survey of lapses by quarters, similar to the monthly sales survey, precipitated an interesting discussion. The consensus of opinion was that a mere composite lapse ratio would be of little value, and that the problem must be approached from the standpoint of the policy year. It was pointed out that the subject is extremely complex and full of pitfalls, as there are a great many different factors to be taken into consideration in each case. The territory, company, year, financial conditions, and many other elements effect the individual rate. Whether or not a working basis can be found which will be of some value to the company members remains to be seen. It was the opinion of some that this was a study rather for individual companies, and that a general survey by the bureau would be of very little practical value. The bureau does not want to duplicate the work along the line of a lapse survey being conducted by the American Life Convention.

#### Issues Reinstatement Manual

Vice-President John A. Stevenson of the Equitable of New York said that such a survey is worth undertaking, but that it will not be enough merely to call attention to high lapse ratios. The real value of such a study will be the determination of some method of reducing

## GIVE PRUDENTIAL SIDE

### GORE ADDRESSES COMMITTEE

Declares That It Will Not Withdraw the Half Rate Policy from the Market

Vice-President and Actuary John K. Gore of the Prudential has sent a letter to the special committee of the New York City Life Underwriters Association that protested against the so-called half-rate life insurance policy. The Prudential calls its policy "whole life policy with half premium for the first five years." Mr. Gore states that his company will not withdraw the policy. He believes that it meets a public demand and that is the basis whereby the Prudential will measure its duty to the insurance buyer. Mr. Gore in his letter says:

As promised your committee when you were at our home office on Oct. 22, we have given consideration to your request that the Prudential discontinue its "whole life policy with half premium for first five years." We have also carefully reviewed the reasons for such request given in your signed statement.

Your chief objection to this policy seems to be that it is what you call a "competitive" policy. It was not so intended, but was designed to meet a specific situation. We believe that it is better adapted to the needs of a large class of persons than any other form now available. It is in our opinion a better form for the insured than the convertible term policy, and has, in fact, during the six months of its issue materially reduced the proportion of such policies. While it may be reasonable to expect a higher lapse than normal at the end of the fifth year, we feel sure a larger proportion will renew at that time than at present convert to permanent forms under convertible term policies.

#### Hopes More Will Use It

You state that the new policy is being seriously considered by many other companies. We should not be sorry if the companies generally should issue such a form, as we believe they would thereby be rendering a distinct service to the insuring public. We are convinced that the new policy is of real value to those for whom it was intended. We note that you do not criticize it from an actuarial standpoint. Moreover, as it carries our regular whole life commission scale, it is satisfactory to our field men. We see no reason, therefore for discontinuing it.

We appreciate the spirit of fair-play and progress displayed by the Life Underwriters' Association of New York for many years, and you will agree with us that the Prudential has cooperated in every way with your association. We deny, however, that there is anything unfair or unethical in the issuing of the policy in question, which meets a definite need and which is decidedly better for the insured than the present convertible term policies.

such a high ratio. His own company has been working on a sales manual for the express purpose of giving instructions on reinstating lapsed business.

Dr. Walter Dill Scott, president of Northwestern University and formerly director of the Bureau of Personnel, was present for a part of the afternoon session, and made a short address. He said that most research projects fail or are impractical. This has been true of researches in every field, including the physical sciences, and yet these researches are responsible for the scope of modern business. He stated that the income of industrial workers is approximately \$10,000,000,000 a year, but that without the help of modern science it would not be more than \$4,000,000,000 a year. We owe our prosperity to those researches, most of which were impractical or failed.

#### Research in Social Sciences

Dr. Scott said that the progress of the next century will be concerned with social rather than physical sciences, with the handling of men. Research will be

(CONTINUED ON PAGE 22)

## STRIKES HIGHER NOTE

### WILLIAMSON IS PACE MAKER

New President Chicago Life Underwriters Association Presents a Goal Toward Which All Should Work

### STRONG PLATFORM

The new president of the Chicago Life Underwriters Association, W. W. Williamson, suggests this platform: Life insurance for life insurance salesmen only; no part time men; no commission sharing with those not devoting their entire time to life insurance business; no price cutting; more careful selection of agents; more efficient training of agents; cutting down of brokers.

W. W. Williamson, Chicago manager of the Phoenix Mutual Life, on assuming the presidency of the Chicago Life Underwriters' Association, sounded a very high note in professional life insurance work.

He said no one should be entitled to sell life insurance, but life insurance men. He believes that these men should be well prepared for their work and should be competent to deal with the problems that have to be solved.

He said that no commission should be shared with a solicitor unless he devotes all his time to the business.

Mr. Williamson came out very strongly against part time men. He thinks that they are parasites on the business. He said that an employer pays his man to give all his time and attention to a particular work. It is wrong he said, for life insurance men to entice these people to give part of their time to life insurance. He asked whether any great business would succeed if it put its salesmen on a half-time basis.

#### One Price to All

Mr. Williamson said there should be no price cutting. There should be one price for all the goods offered. There should be no dickering by the purchaser on this question. He said that all the great enterprises of the country had been built up on the one price system. It is advocated by thinking people. If a life insurance man yields and gives a rebate, the public gets the impression that the life insurance people are making so much money that they can afford to give away part of their earnings, or they become doubtful of the quality of the goods.

#### All Twisters Are Brokers

Mr. Williamson would cut down on the brokers. He said that while all brokers are not twisters, yet all twisters are brokers. He said that a broker will tell a prospect that he will go out in the market and select a company that has a policy to fit his particular needs. This is a mis-statement of the case, said Mr. Williamson, because all companies are selling policies to fit any special case. Referring to his own company, Mr. Williamson said, that the Phoenix Mutual had cut out three-fourths of the agents that formerly represented it, and yet is writing more business than ever before.

#### Selection of Agents

Mr. Williamson next declared there should be greater care exercised in the selection of agents. Every man who is seeking a contract should not be taken. He said that too many offices will take men on suspicion. They are anxious for business and eager for volume. They will give any man a rate book and probably an advance. Yet much money may be lost on these floaters. He said that the reason that the public at large shrugs its shoulders when a life insurance man is presented, is due to the fact that high grade type of men

(CONTINUED ON PAGE 30)

## JOINT MEETING GREAT ACTUARIAL CONFERENCE

American Institute and Actuarial Society Met Together Last Week at French Lick

### VALUABLE CONTRIBUTION

Open Discussions, With All of America's Actuaries Participating, Brought Out Many Features

FRENCH LICK, IND., Nov. 11.—A joint meeting of the American Institute of Actuaries and the Actuarial Society of America was held here Nov. 6-8 inclusive. Not only was the occasion one of great benefit to the members of both societies because of their united attention to common actuarial problems, since the major portions of the sessions were open to both organizations, but the opportunities for informal and social gatherings added greatly to its pronounced success. Many opportunities were offered for the members to get together and become closely acquainted. The entertainment committee arranged golf tournaments, tennis matches, card games and other diversions with which to employ the moments not actually devoted to the meetings. Not the least of the pleasures of the gathering were the visits paid to the famous French Lick Casino, where the actuaries devoted considerable time and thought to calculating the elements of chance entering into the various games, without, however, risking too much to secure adverse practical data on the subject.

#### Memorial Resolutions Adopted

Arthur B. Wood, president of the Actuarial Society of America, presided at the opening meeting on Thursday morning. This meeting was confined to the members of his society. The papers were withheld till the joint meeting the following morning at which Mr. Wood also presided. At the Thursday morning meeting memorial resolutions were passed for several members whose deaths had occurred since the last meeting. These included David Parks Fackler, consulting actuary, who died at the age of 83, a founder of the society and often affectionately referred to as its "father," who was its second president; Howell Williams St. John, likewise a charter member, and the society's third president, an actuary of the Aetna, accidentally killed at the age of 90; Clarence Edmund Cale, assistant actuary of the Continental of Canada and the only man who ever passed all of the examinations for membership in as short a space of time as three years, and Allan W. Strong of the Sun Life of Canada.

At this session Arthur Hunter of the New York Life discussed the methods employed in disposing of their foreign business. The subject of disability data came up and it was determined to secure information in full from 20 United States and 5 Canadian companies.

#### Traced Organizations' History

At the Friday morning gathering, which was distinguished by its full attendance, Mr. Wood, in his address, traced the history of the two societies to the present, in a very interesting way. The first similar body was that organized in Great Britain about 1848. As this developed, it extended to all parts of the British empire. In order to secure standing, many actuaries in the United States joined this group, until, in 1889 the Actuarial Society came into being, followed in 1909 by the American Institute of Actuaries. As the societies became stronger, membership was re-

stricted and admittance became correspondingly more valuable since actuarial problems could be properly discussed only by men whose minds had been trained to contribute constructive advancement to the science. Many men are members of both the Society and the Institute. Mr. Wood forecast the continuance of friendly relations and devotion of common interests.

#### Papers Were Presented

In the first paper Prof. Henry L. Reitz of the University of Iowa described an attempt to determine if longevity were an inherited trait. To determine the point, he went carefully over the death claims of the Northwestern and the Midland Mutual, taking the names of those men whose fathers had died before the applications had been made by the sons. A great deal of interesting information was disclosed, but no definite conclusions could be deduced on the main point. One of the most interesting developments of the study was that men whose fathers had died young tended to insure at a young age.

Arthur Hunter, actuary of the New York Life, presented a paper which had been jointly prepared by Dr. Oscar H. Rogers and himself dealing with the effects of heart impairments. He introduced the subject by stating that frequently medical men regarded as of minor importance certain forms of heart defects, but that the insurance companies had to be on their guard since facts made it appear incontrovertibly that the doctors' stand was based on opinion rather than on experience. The study of the subject and subsequent adoption of ratings by many companies had resulted in greatly improved mortality on this class of risk. Experience has now enabled the actuaries to group and rate heart cases logically into the three following classifications: Murmur at the apex, but not transmitted; mitral regurgitation, and murmur complicated with personal history of inflammatory illnesses. Functional heart trouble requires ratings over age 40 under practically every condition, while at the younger ages there are occasions when risks need not be considered as sub-standard.

A research to determine "Mortality Experience Under Renewed Term Policies and Conversions from Term Policies" conducted by Miss E. T. R. Williams of the Provident, based on the experience of her company and that of Prudential and Mutual Benefit, pointed to the belief that the experience under converted policies was least favorable in the case of the group of which the original ages at issue were under thirty.

#### Gives Japanese Experience

The experience of the New York Life in insuring Japanese and other orientals was discussed by Arthur Hunter. The contracts on Japanese were placed on those residing in this country, Canada and Hawaii. The business was secured through Japanese agents who were especially selected by the company to be dependable in order that they might use additional discretion in the selection of risks. They were limited to 20-year endowment or shorter policies, and in no case was the endowment period permitted to extend beyond age 65. Under these terms the business was entirely satisfactory.

The Japanese have not yet developed ordinarily do not lend themselves to improvement of this situation. The mortality from this cause is greatest between the ages of 15 and 39, and it decreases markedly beyond 40. This is likewise the experience of the Japanese companies. One factor of interest is that a great proportion of the Japs return to their native land to die. This complicates the business considerably because of the distance and the difficulty of identification.

#### Also Covers Chinese

Similar conditions are met in insuring Chinese and Hindus, though, in addition, the sub-tropical rating of 50 percent is added. Handled in this way, insuring these classes of people is quite adequate

## NEW APPRECIATION OF INSURANCE

By WALTER LE MAR TALBOT  
President Fidelity Mutual Life

**I**F I were asked my opinion as to the most notable fact in the experience of life insurance men within the past five years, I would probably point to the new appreciation with which life insurance is now regarded by men in all walks of life. Almost universal recognition is now given by the public to what life insurance can do and is doing to serve human needs. It is encouraging to know that so much progress has been registered in this direction, for it is our business, yours and mine, constantly to impress upon the public mind the value of life insurance in all our social and economic relationships and the many useful forms of life insurance protection which are now available. The people are quick to accept legitimate means by which their own interests can be protected and safeguarded. And we of the life insurance profession have successfully developed in the public mind a higher sense of the big things life insurance is capable of doing. The advancement that has been made in this respect is indeed remarkable. Only the men and women who struggled through life insurance salesmanship in the old days can fully appreciate the advantages enjoyed by the present-day underwriter in this lessened resistance.

So the way is now clear and we must keep it clear. The companies must live up to the confidence being imposed in them. The agents must be equipped with character, efficiency and energy if we are to maintain our standing. We cannot forget that the public's opinion of life insurance is molded to a great extent by the character of representation. So my appeal is simply this: Be loyal to the great institution of life insurance, which has so meritoriously won public favor, by giving to it the best that is in you; the highest type of manly or womanly character; the best skill in interpreting the insurance needs of your clients; and the most honest and sincere cooperation with the company of your choice.

and satisfactory to all concerned. It is clear that the mortality in any of the classes is higher than among American insured lives. There is no evidence of selection against the company on policies of the larger amounts.

A "Statistical Study of Blood Pressures" was conducted by Robertson G. Hunter of the Equitable of Iowa. He found that there was a marked difference as between men of different heights, but that there was, contrary to his expectation, little variation between men of the same height, but different weights. As a rule, the blood pressure of women was slightly below that of men. Low blood pressure was found to be more favorable than high in most diseases.

#### Discusses Uniformity of Practice

While not quite an actuarial problem, James E. Hoskins of the Travelers read a paper built from facts ascertained from a questionnaire to determine the differences in company practice on many points, such as permitting the insured to convert a term policy to the guaranteed monthly income with annuity form. The differences in company practice were startling. The varieties of ways in which the various details were handled could not help but confuse any man who had insured in several companies and who desired to have similar changes made in all of them. The consensus of opinion was to the effect that it would be an excellent plan to see what could be done to secure more uniformity in such matters.

The Provident Mutual has adopted the attained age method of obtaining policy reserves for office use. In describing it, E. W. Marshall stated that his company had employed four methods of computing aggregate policy reserves, but that the method they were now using required less work than any other. Indeed, so satisfactory had it been, and so slight the percentage of error, that the insurance department of Pennsylvania has adopted it with a consequent saving of 80 percent on this part of their work. Collateral advantages are also obtained, including facility of checking.

#### Discusses Previous Papers

Discussion of previous papers occupied the afternoon session, over which Percy H. Evans, president of the American Institute of Actuaries, presided. There was particular interest in the discussions on the disability clause and the writing of non-medical business, both of which are given elsewhere in this issue of THE NATIONAL UNDERWRITER.

There was some discussion on annuities during which C. D. Rutherford of the Sun of Canada said that he

thought it would be better to eliminate excess dividends on guaranteed settlements but make the continuous settlements correspondingly larger.

#### Considers Change in Tables

Henry Moir of the United States Life opened the discussion of the advisability of adopting the American Men Ultimate Table of mortality instead of the American Experience Table. Above 50 the two tables are more or less the same, though there is a marked difference at the lower ages. The present mortality tends toward the annuity experience, so the obvious advantage would be in favor of adopting the new table in order to have the various phases of insurance calculations on the same basis. As a matter of fact the Men's Table is in common, though informal, use now since most actuaries at least check their rates for sufficiency against them. There are, however, so many legal points now involved with the American Experience Table, due to its long usage, that the adoption of the Men's Table might be rather radical. It would be in order to make the use of the Men's Table permissive. Its adoption would not affect dividends since they are now based on the American Men Table.

Mr. Watt supplemented Mr. Moir's observations, and pointed out that there would apparently be no advantage to the insuring public, to the companies or their agents, in attempting any nationwide revision of the various state statutes, which specify standards for calculation of reserves.

#### Show Change in Mortality

Percy C. H. Papps quoted the experience of the Mutual Benefit Life Insurance Company for the years 1921, 1922 and 1923, as affording a strong indication that there had at last begun a decline in the rate of mortality on lives aged 50 and over. J. D. Craig confirmed this tendency of mortality rate by quoting the recent experience of the Metropolitan, both in its ordinary and industrial branches, as indicating a decided decrease in the mortality of older lives. According to E. B. Morris, the experience of the Travelers indicates the same improvement.

William Young discussed the precautions necessary to life insurance companies when issuing policies on Japanese, Chinese and members of other Oriental races.

#### Take Up Special Risks

J. E. Hoskins of the Travelers recounted the efforts which were made after the war, which are still being continued, to obtain a safe rating for in-

## Next Year Will Be Big Legislative Season

NEXT year will be a busy legislative season. A large number of states will have their legislatures in session beginning early in January. Florida starts in April. The legislatures of the following states will be in session next year:

Arizona	New Jersey
Arkansas	New Mexico
California	New York
Colorado	North Carolina
Connecticut	North Dakota
Delaware	Oklahoma
Florida	Oregon
Idaho	Pennsylvania
Illinois	Rhode Island
Indiana	South Carolina
Iowa	South Dakota
Kansas	Tennessee
Maine	Texas
Massachusetts	Utah
Michigan	Vermont
Missouri	Washington
Montana	West Virginia
Nebraska	Wisconsin
Nevada	Wyoming
New Hampshire	

suring the lives of aviators. He emphasized the gradations of hazard which will be found in endeavoring to underwrite these risks. The professional aviator, the owner of an aeroplane who employs a pilot to operate it for him, the owner who pilots his own plane and the person who occasionally rides in an airplane, being exposed to widely different degrees of hazard. Statistics were quoted of the U. S. Air Service which indicate that about one aviator is killed for each 1,000 hours of flight. It was further determined that figures from other sources had indicated that, under favorable conditions, the fatality rate went down as low as one death per 4,000 flying hours. As a general thing, the aviation hazard was steadily decreasing, due to the practice becoming safer and saner while the guards against accident and the equipment were becoming better.

#### American Institute Session

The outstanding feature of the Saturday morning gathering of American Institute of Actuaries to which the members of the Actuarial Society of America were invited was the address by President Percy H. Evans, actuary of the Northwestern Mutual. He said that 20 years ago the home offices of the various companies were fraught with distrust and that each had to develop its business without guidance of any kind except that which its own experience dictated. Any information from a competitor was avoided as being untrustworthy. He felt that it was to the actuaries and their seeking for facts of common value that the present happy feeling was due. He spoke of the friendly feeling that existed between the two actuarial bodies and the spheres of usefulness of both to themselves and to each other.

He talked about the high educational requirements of a theoretical and practical nature, and the examinations which both societies require.

It was stated emphatically that, now that a great deal of information had been acquired on disability clauses, sub-standard practice and annuities, it was time to correlate the knowledge available and apply it all to its proper uses for development of the business. He was particularly impressed with the situation on annuities and termed the present practice as archaic, at least compared with the methods employed in measuring and rating life coverages. He expressed his pleasure at leading such a communion of talent as was represented in the body before them and charged them to continue their united thought to the many problems of the business of life insurance.

#### William J. Balmer Killed

William J. Balmer, local agent for the American Life at Lansing, Mich., was fatally injured Monday evening when his automobile was struck by an interurban car at a crossing. He was rushed to the hospital but died 15 minutes after arrival.

## LINTON'S ANALYSIS OF AGENTS' COMMISSIONS

**Cooperation Is Needed Between Actuarial and Agency Departments**

### TWO TYPES OF CONTRACTS

**Seek to Make Sufficient Acquisition Allowance Without Overloading of Early Premiums**

At the joint meeting of the American Institute of Actuaries and the Actuarial Society of America at French Lick Springs last week, M. Albert Linton, vice-president of the Provident Mutual Life, presented a paper on "Returns Under Agency Contracts," relating to certain phases of the distribution and



**M. ALBERT LINTON**  
Vice-President Provident Mutual Life

conservation costs incurred by life insurance companies operating upon the general agency system and within moderate expense and commission limitations. This field necessitates analysis involving processes familiar enough to actuaries, but generally unfamiliar to those in charge of agency departments, and it is hoped that closer cooperation may be brought about between the agency and actuarial departments to solve some of the problems of the agency managers.

Two types of general agents' contracts were analyzed, the first contemplating nine renewal commissions of 7½ percent, five of 5 percent and a subsequent collection fee of 2½ percent, and the second differing from the first in that one-half of each of the 5's from the 11th to the 15th year is commuted into an extra 5 percent payable the second year. The paper analyzed a single year's production of \$1,000,000, and also a uniform yearly production of \$1,000,000, the yearly production table approximating the unit result which an average agency is likely to attain in the course of time. An average premium of \$30 per \$1,000 was assumed.

#### Depend on Number of Policies

The expenses at which an agency is conducted are independent of the average premium, and largely dependent upon the average amount of policies, since that factor determines the number of policies that has to be cared for. The emphasis of the paper was placed on an average policy of \$3,500. Two sets of termination rates were used, one involving withdrawal rates in each year twice

## PLAN DEMONSTRATION MAKES CANCER STUDY

### WORK ON INDIANA PROGRAM

**Gen. Dawes and Charles M. Schwab Asked to Speak—Gala Day for Insurance Business**

INDIANAPOLIS, IND., Nov. 12.—Details for "Indiana Insurance Day" are being rounded into shape and the general committee is planning an attractive program that will place before the insurance men and the public the general theme of "The Relation of Insurance to the Public." This is being carried out by the committee in accord with the suggestion made by President J. B. Levison, of the Fireman's Fund, in his speech before the Northwest Association. While the speakers have not yet been lined up, the committee is making an effort to secure Gen. Charles G. Dawes, vice-president elect of the United States, as the principal speaker at the banquet. An invitation has been extended to Mr. Dawes and his friends are attempting to persuade him to accept this. Likewise an invitation has been extended to Charles M. Schwab of the United States Steel Corporation and other speakers of national fame, both within the insurance business and without, will be shown on the completed program.

#### Plan Big Display

Arrangements have been made to take over the entire 7th floor of the Claypool hotel for the advertising display, which will be given in connection with the program. The committee believes that this will be the most elaborate display ever presented. Every class of insurance company has been asked to participate, as well as all sprinkler, safety device, billing machines and other manufacturers more or less connected with the insurance business. Invitations to the all-day program are being extended to all of last year's speakers and to practically all company officials, all western managers, all supervising agencies, all insurance commissioners and practically all organization and association officers. Plans are being made to accommodate 2,000 guests.

#### Have Central Theme

As was the case with the Northwest Association meeting this year, the program for Indiana insurance day will be built around a central theme, that selected being "The Relation of Insurance to the Public." It has been felt that the lack of sympathy on the part of the public for the insurance business is due primarily to the lack of cooperation in the business itself, the condition of isolation which it has taken in the past, and the lack of education of the public as to the friendly service that fire insurance renders. To break down this barrier, the Indiana insurance interests will present to the public a demonstration of their relationship. At the same time it will demonstrate to the public the interrelation of the various classes of insurance.

the rates of the other. It was assumed that the yearly cost of each old policy was \$1.25, and that the cost of each new policy for the year in which it is issued is \$12.50.

The total overriding commissions for 10 years on a single year's production of \$1,000,000 amount to \$6,428, and using 5 percent interest, have a discounted value in the first year of \$5,454. During the same period the expenses amount to \$5,923, and have a discounted value of \$5,458. For 20 years the total overriding commissions amount to \$12,214 and the expenses to \$7,704. The total overriding commissions do not exceed the expenses until the eighth year, and the renewal overriding commissions, that is, the overriding commissions assuming that the subagent receives full general

(CONTINUED ON PAGE 34)

## MAKES CANCER STUDY

### BRINGS OUT STARTLING FACTS

**Metropolitan Life Shows Seriousness as Compared With Probability of Death From Tuberculosis**

The Metropolitan Life has issued a report on its study of cancer, in which it brings out the fact that cancer is so often associated with adult life that most persons do not know that a considerable number of deaths occur among children and adolescents, and that, in certain parts of the body, cancer actually appears almost as frequently in children and adolescents as in adults. In a study of 90,175 deaths from cancer among Metropolitan industrial policyholders, over a period of 12 years, it was discovered that 1,910 were those of persons under 25 years. The organs and parts of the body most frequently attacked by malignant growths in early life were the brain, the bones, the kidneys and suprarenals, and the lung and pleura. One-third of all brain cancers appeared among persons under 25; of bone cancers and those of the kidneys and suprarenals, 25 percent were under 25; and of the lung and pleura, 12 percent.

#### Danger for Adults

It is a surprise to most persons to know that at the present time a man or a woman is more likely to die of cancer than of tuberculosis, in spite of the fact that the death rate from tuberculosis is, as yet, a little higher than that for cancer. In 1922, for example, the tuberculosis death rate in the registration area was 97 per 100,000, while that from cancer was 87. Nevertheless, it is true that a child, having once reached 10 years of age, is, according to present indications, in greater danger of dying ultimately from cancer than from tuberculosis. The explanation of this lies in the fact that tuberculosis claims its victims heavily in early adult life, whereas cancer does not begin to do its most deadly work until middle life.

#### Has More Material

In an actual population, tuberculosis has relatively more material to work on than cancer, and the proportion of the two death rates does not represent the "betting odds" that a child of ten, for example, will eventually die of tuberculosis, or of cancer, as the case may be. These odds can be calculated by the construction of a life table, and by then segregating the tuberculosis and cancer deaths from all deaths, and constructing truncated life tables with the remainder.

At age 10, for males, the probability of dying eventually from cancer was .0837. That is to say, of 100 males at that age, more than eight will eventually die from cancer. The probability of eventual death from tuberculosis, on the other hand, was only .0684, which indicates that less than seven out of 100, will die from tuberculosis. The cancer probability for males was therefore 22 percent in excess of that for tuberculosis.

For females at age 10, the measure of cancer probability was .1132, and for tuberculosis, .0606. Here the cancer probability was 87 percent in excess of the chance for eventual death from tuberculosis. The excess of the probability measure for cancer over that for tuberculosis increases decidedly with advance in age.

With a rising cancer death rate, and a falling tuberculosis death rate, as a prospect for the immediate future, we may expect a greater disparity in the figures for cancer and tuberculosis probability. The control of tuberculosis has engaged public attention for many years. At present, provisions for cancer research, diagnosis and treatments are meagre in comparison with the magnitude of the task and the importance of cancer as a source of diminishing longevity and of intense suffering.

## POINTS BROUGHT OUT IN HUTTINGER ADDRESSES

**Practical Suggestions Made by Tax Expert From Penn Mutual's Home Office**

### BIG FIELD IS NOW OPEN

**Charitable Gifts Present Great Possibilities to the Life Insurance Salesman for New Business**

"Ten years from now no one will be able to write life insurance unless he is an economic engineer," declared E. Paul Huttinger, home office tax expert of the Penn Mutual Life, in addresses before the Indianapolis, Detroit and Chicago life underwriters associations. "Those engaged in the business then will wonder how we ever wrote any business according to our present methods." The tendency of the business of selling life insurance is toward an exactitude of knowledge comparable to that of the physician and the life insurance salesman of the future will have to be equipped to serve his clients with a scientific understanding of their needs similar to that which a physician gives to the needs of his patients, the speaker said.

#### Life Insurance and Inheritance Tax

"Taxation is directly involved with life insurance in only one instance," he said, "and that is inheritance tax. Other forms of taxation apply more or less indirectly." It takes study to keep up with the changes in inheritance tax laws. United States Congress and the legislatures of the states meet periodically and frequently change laws. It is important, therefore, in selling life insurance for inheritance tax needs to know the underlying principles so that what is sold today to fit the needs of a client may not be disturbed in a few years through change in laws.

Life insurance, the speaker declared, has precedence over all other forms of estate investments. "Life insurance is the only economic provision in the world," he said, "to make up deficiencies in estates which arise with the death of the one who accumulated the estate." It is easy to convince the man who is relying on ready cash in the bank to take care of the needs of his estate at death that he can use life insurance to good purpose, the speaker affirmed. Tell him to invest the cash in safe securities and use the income to buy life insurance, thereby assuring his estate cash when it is needed and the securities as well.

#### Two Vulnerable Classes

There are two classes of persons who ought to be vulnerable to the arguments for inheritance tax life insurance—the owner of real estate and the owner of industrial stock in a close corporation. Real estate is hard to move under the best of circumstances and in hard times it is often necessary to sacrifice values heavily to meet the demands of inheritance tax. The situation of the administrator of an estate composed of such securities is that of an irresistible force meeting an immovable object—he can't pay the taxes until he sells the real estate or the stock and he can't sell the securities until he has paid the taxes. Insurance money in such a situation saves the other property. "You would be surprised," he said, "at the number of men who die at the wrong time for the moving of the property which represents their estates."

#### Should Get Actual Transcripts

He urged the value of actual transcripts from the records of the probate

courts as aids in selling inheritance tax life insurance. Hypothetical statements of estates as they may exist at the time of the holder's death are apt to be liberally estimated, he said, but there is no getting around the actual facts of the probate court experiences. Faced by such exhibits the prospect is very apt to take more insurance than the agent planned to suggest. Mr. Huttinger said:

#### Makes a Strong Argument

"You can furnish your prospect no better argument than the records of the probate court of your own county. Here is an absolutely conclusive proof of what the settlement of estates has cost. You can get an audience for details when he will care nothing for your own estimate or one out of a book. Here are details of men with whom he was acquainted and of properties with which he was familiar.

#### Contract Matures in Cash

"A life insurance contract is the only contract that matures in cash at face value when death comes, the only contract that covers the shrinkage in other assets. Suppose he tells you he has cash set aside for that very purpose. Show him he can protect all emergencies more surely through the policy than through an unprotected cash deposit. Mr. Huttinger said:

#### Life Insurance and Trust Companies

"Some men want a flexible fund. If he wants his beneficiary to have freedom in handling of the funds he leaves he can't get it in life insurance without a long and complicated beneficiary clause. I am essentially a life insurance company man but I can see there are cases where a trust fund may fit better than an inflexible beneficiary clause."

#### Big Field in Charitable Gifts

"As to charitable gifts—Here is an almost virgin field for life insurance. You have been going to individuals while you should have been talking with the heads of the institutions. When a man tells the institution heads: 'I'm going to leave you \$10,000,' that's good, but the president or the minister should be in a position to say to him: 'Let's put it in insurance!'

#### Certainty in Life Insurance

"The would-be donor may forget to designate the bequest in his will, or the will may not be properly executed, or it may be contested. On the other hand, there is the certainty of a life insurance policy. He hands it to the institution authorities. If he pays gross premium the institution can collect the dividends. If he doesn't pay the premiums, or is unable to pay them, they can collect the cash surrender. The more you look into this way of making a charitable gift the better you will like it. Translate the 'intention' into 'accomplishment.'

#### Most Men Have Ideals

"Most men and women are idealistic, 90 percent of us. We dream great dreams but we can't put them in effect. Most of us want to protect those we love and regard but we haven't the scope or the ability. You are the men who can make dreams come true.

"Benjamin Franklin said there's nothing certain but 'death and taxes.' He should have added, 'benefits of life insurance.'"

Mr. Huttinger also proposed the establishments of endowments and foundation funds to take care of community fund needs by municipalities through the use of life insurance by public spirited citizens. "We think we are a practical people," he said, "but we are dreamers." Dreaming is all right and it is through dreams that big ideas have been born but to bring practical results dreams must be followed up and made to come to pass. Our own constitution and all great inventions existed once in men's minds as mere dreams but they were acted upon. "The greatest men are those who make victories out of defeats."

The Metropolitan Life has acquired additional property on east Twenty-fourth street, New York, immediately adjoining its home office building.

## LAURELS FOR WORLD'S RECORD GO TO F. W. FELKEL OF SOUTH CAROLINA

#### OCTOBER PACEMAKERS

**F. W. Felkel, Anderson, S. C., 320.**  
**Frank M. See, Nashville, Tenn., 318.**  
**I. S. Watson, Meridian, Miss., 287.**  
**Robert A. Brown, Los Angeles, 268.**

**A**NOTHER world's record for writing life insurance applications in one month has been established. F. W. Felkel, general agent for the Continental Life of St. Louis, Mo., at Anderson, S. C., during October wrote 320 applications for insurance, his volume reaching \$460,000, an average of \$1440 per policy. None of his policies were in excess of \$5,000, the majority being \$1,000 and \$2,000.

In his record drive Mr. Felkel worked but 27 days, it being against his principles to sell life insurance on the Sabbath. None of his business was cumulative or saved over from the previous month in anticipation of the drive.

Mr. Felkel, who is 35 years old, married and in the life insurance business

ton, Tex., had raised the ante to 247 and finally that E. M. LaPlant of Sturgeon Bay, Wis., had lifted the mark to 251. It was not until he had successfully attained a mark heretofore never reached that he was told C. H. Smith of Cattaraugus, N. Y., during the period Sept. 15 to Oct. 15 had completed 262 cases for a total of \$467,300 of insurance.

#### Also General Agent

During his drive Mr. Felkel encountered many obstacles that would have broken the spirit of less determined fighters. He was forced to practically lay off for two days because of pressing office duties in his position as general agent for the company, while he also ran into bad weather conditions while working the southern section of the state which cost him two more days. Had he anticipated this state of affairs he would have changed his schedule to take in the upper part of the state during that period.

#### Tells of His Methods

In a letter written to Pickens M. Harper, vice-president of the company, Felkel tells how he accomplished his big feat. His letter follows:

"When I decided to try for the world's record in writing applications for one month it was then about the middle of September and I thought I would have to write 177 to beat the record of the man in Alabama.

"After my decision to make a new record I began to write down names of possible prospects. I took the state and divided it up so as to completely cover it in 25 days. This carried me over 2,000 miles of territory. I knew in advance where I would end each night and I carried out my schedule to the day. I completely forgot about agents and agency work and thought of nothing but writing applications except the two days that I had to do some necessary office work and take in the state fair where I thought the half day's rest would do me good for the last week's drive which I felt would be the hardest one.

#### No Sunday Work

"I began my work on the morning of Oct. 1 at 7:30 and wrote my nine applications that day as I had planned to do throughout the month. I worked an average of twelve hours a day, getting plenty of sleep and was completely at rest each Sunday as I did not feel it right to work on the Sabbath and felt I would gain in the long run by keeping it. I stopped at 9 o'clock the night of the 31st.

"Shortly after the 1st of October new records began to appear and I had to speed up my sales but I kept up my regular twelve hours work. Had I known that the New York state man was going to write 251 applications, I believe confidently that I could have written 400 without serious hurt to myself by working faster and longer.

"At the beginning of the month I sent out letters to a number of policy-holders and friends whom I could not see in person, asking them to take out a policy with me on some member of the family or tell me of some friend. I received about three replies to these 200 letters and they were to the effect that I had their best wishes and to let them know how I came out. I wrote only three applications by mail and they were on close personal friends for \$1,000 each. Two of them lived out of the state.

#### All Personal Solicitation

"I did no advertising at all. I had thought of doing so feeling that I would get the interest of many people that way but after reading of the records of all the other men, who had done so, I decided I would beat them with just a straight canvass. The only knowledge of my effort was made known to them through me in person. I felt somehow

too that by advertising I might get people interested who might bring me some business, this I did not want. I wanted to feel that I had actually sold and gotten the business myself and without any aid from others.

"I got most of my business in the lower part of the state where conditions were bad. I at the time did not know that I would lose two days, otherwise I would have spent more time in the upper part of the state where conditions are good and probably would have gotten more business.

"My enthusiasm was the biggest help in making my record as it does not take much work to close a case when you are running over with enthusiasm. This and the desire of my friends to see me win made it easy. I used no special doctor nor received any help of any kind.

#### Find Big New Field

"I would like to call the attention of the Continental men to the fact that a world of business can be written on young folks between the ages of 8 and 15. I did not know this fact until I began my record.

"This is about all I can say except that I used sheets of paper with numbers and as I wrote all applicants I had them sign opposite a number telling them that I expected to frame the signatures in appreciation of their help and to serve as an affidavit to the fact that I had solicited and written them during the month of October. I now have a sheet with 100 numbers and am going to see the prospects this month that I missed and give them a chance to help me make a record for a consecutive month. This should help me get a nice bunch of business this month."

#### To Set New Year's Record

Having set one big mark, Mr. Felkel is now looking for new worlds to conquer and has his mind set on a new world's record for number of applications written in any one year. He also hopes to set a new mark for the month following a world's record, indicating his ability to sustain a big drive beyond the period originally set.

Mr. Felkel's world record came in the midst of the biggest month in the history of the Continental, October Melson Honor Month, when the agents for the company wrote \$3,919,091, several hundred thousands in excess of the previous best mark for the company in any one month. Naturally his personal writing topped that of any other agent both in number of applications and volume of business.

#### Has Successful Agency

Mr. Felkel's agency has but six active agents, but nevertheless has consistently ranked with the leaders of the Continental. He has transmitted some of his personal enthusiasm to each of his workers and their average writings is probably in excess of that of any other agency for the company. Mr. Felkel's recipe for writing business is "See lots of people and sell 'em."

## HALF RATE POLICIES ISSUE

**Chicago Life Underwriters Association by Close Vote Decides to Defer Action on Subject**

At the meeting of the Life Underwriters Association of Chicago last week, the executive committee introduced a resolution, approving the stand taken by the New York Life Underwriters Association in protesting against the so-called half-rate policies issued by the Aetna Life and Prudential. A. S. Ingersoll of the Mutual Benefit and Julius H. Meyer of the New England Mutual led a movement to have the discussion of this subject postponed until the next meeting, so that more light could be shed on it. By a vote of 33 to 32, such action was taken. The executive committee backed up this resolution by a solid vote.



F. W. FELKEL

## JUNIOR LIFE AGENCY OFFICERS HOLD MEETING

Was Feature of Agency Officers' Association Convention in Chicago This Week

## IS NOW AN INSTITUTION

Recognized as Valuable Innovation, Productive of Beneficial Results to the Business

One of the innovations instituted at this year's meeting of the Association of Life Agency Officers was the junior agency officers' round table, over which H. M. Holderness, assistant superintendent of agencies for the Connecticut Mutual, presided. This was the first time that the junior agency officers have had an opportunity to join with their seniors in the discussions of field problems. There were over 300 in attendance at the meeting which filled the entire morning of the first day's session, and the manner in which the junior officers participated was particularly gratifying and assured those who had formulated this idea, that this branch of the organization, though in its initial flight, has stepped out of its swaddling clothes.

### Has Important Mission

Mr. Holderness, in his introductory remarks said that the purpose of the special session was the constructive discussion of the problems before the junior agency men. He said that this was, if anything, more important than the discussion of the same problems by the senior officers, as the junior agency men were directly in touch with the agents and general agents. The junior men are best fitted to work out such problems, and, as the senior officers have found the annual round table well worth while, the junior officers can profit even more. Mr. Holderness said, further, that the findings of the gathering should be of inestimable value to the senior officers, coming as recommendations from the great army of junior agency men, who are the closest in touch with field conditions.

### Discussed Agency Department

The junior agency officers conference was built largely around the question of agency department personnel and organization. The subject was divided into four separate branches, though the discussion in each case merged into one general topic. The discussion was opened by W. H. Dallas, of the Atlantic Life, who gave a general resume of the entire proposition. Mr. Dallas particularly stressed the question of personnel for the agency department. He said that the first question raised is the source and character of this personnel. His remarks were based on the answers to a questionnaire from 25 companies, and the answers were about evenly divided between those selecting the home office personnel from the untrained clerks and those organizing from an agency standpoint. The companies' practice varied as to the appointment of field superintendents, and assistant supervisors, some making these appointments from the clerical staff, others from the agency ranks, and still others, from outside sources entirely. Mr. Dallas said that it appears to be the most practical to make the appointment from the inside if possible, and from men who were acquainted with the agency work and could get the agency slant on problems that arise. He said that it is important to build an agency department that has field possibilities, so that agency appointments might be made from the

department. That not only builds a better field organization, but holds opportunities for advancement before those inside the department. He said that the present tendency seems to be to bring in raw recruits and train them, the sources of these recruits being varied.

### Variance in Practice

In discussing the necessary personnel for field work, Mr. Dallas said that about two-thirds of the companies used traveling supervisors, while one-third do not. He pointed out that those included in the two-thirds varied from large to small companies, so that the conditions were decidedly different in many cases. In some cases, the supervisors worked directly with the agents, while in others they worked with the managers only. About one-third of the companies expressed the opinion that the matter of agency training is entirely up to the general agent. Mr. Dallas said that this is in line with the Simon pure general agency theory, though it does not appear to be in line with the present tendency. Mr. Dallas sees a growth of the use of supervisors and believes that the day is coming when specialization shall reach into this branch of the service, some supervisors assisting agents and some managers. He believes that it is necessary to train these field supervisors in the home office and that this field must be looked on somewhat as a training ground for general agency and managerial timber.

Another division of Mr. Dallas' subject was the question of field trips and he said that one-third of the companies have divided their territory into small sections, while two-thirds have not. The latter say that all field men should cover all of the territory. Mr. Dallas concluded his remarks with the statement that most companies are not working along any particularly planned or thought-out system, and that this is one line of development that must be approached by the agency department in the near future.

### Discuss Dallas' Presentation

In the discussion of Mr. Dallas' talk, Jay Ream of the Mutual Benefit suggested that it is advisable to go after college graduates for agency department material, but that if this is done, it must be done early in the year, about January or February. He said that by April all of the graduating class have something definite in line. R. R. Lee of the Southwestern Life said that an agency man is

not necessarily the best fitted for supervisory work, as he cannot appreciate all of the details that he encounters. Also, he cannot ask a general agent or agent for more business in one breath, and then ask for unpaid "nets" in the next. These problems must be handled separately and the agency man cannot apply himself to all of these phases of the work. Several others, however, suggested that the field supervisor should have at least a little agency education, as it will help him in the field.

### Explained "Intensive Visits"

The second branch of the general subject, that regarding intensive agency visits, was opened by Jay Ream of the Mutual Benefit, who gave a forceful talk on this recent development in this branch of the business. He said that the old type of agency visit, while productive of results, is not all that is wanted. The old agency talk on the pre-approach, approach, meeting of objections and close, etc., while educational, does not have any lasting results. He has found the carry-over from such visits very weak. Mr. Ream said that the work of the agency supervisor has necessarily become more intensive and his work more personal with the general agents and agents in the field. He said that every new man is entitled to see an experienced man make a sale, and every new manager is entitled to see a demonstration of his work. That opens the way for the field supervisor and points to the most important part of his work. Mr. Ream said that it was also essential that the supervisor go into the territory for a prolonged visit, not as an adviser, but as an assistant, to serve the general agent in any way possible, for the time of his stay.

### Five Ways to Aid Managers

Mr. Ream said that there are five general ways in which the supervisor can be of assistance in the field on these intensive agency visits. The first of these is in visiting men in outside points in their own home town. He said that is probably the first request that the field supervisor meets on any agency visit. Mr. Ream said that this should be seized upon as an opportunity, rather than an imposition. It gives the supervisor a chance to meet this district manager or agent, on even grounds. That is, if he meets the outside agent in the general agency meeting, the outside man, being away from home, is bound

to picture his local condition as black as possible. Also, he is lost in the crowd and does not assume his rightful position. Out in his home town, he is invariably certain to display his home town and local conditions in the most rosy hues and show himself as a prominent citizen in the community. It also creates a greater spirit of cooperation and good will between the outside men and the home office. The second way in which the supervisor can assist the general agent is to help in organizing the service work in the agency. Mr. Ream said that he has found many agents doing details which take up half of their day and yet it is work that could easily be done by someone hired at very small wages. The supervisor can systematize office work for the general agent, although never doing it in an advisory way, but rather in a cooperative way. He said that the general agent would resent the supervisor attempting to tell him how to do the work.

### Help in Agency Building

The third way in which he can aid the agency is to help the general agent to get men. He can go out with the general agent and make selections, or he can advise the general agent as to selections from those already under consideration. As a fourth service, the supervisor can aid in the training of agents. Some companies enlarge on this and offer a training service under the direction of their supervisors, while others do nothing at all. Mr. Ream suggested that the supervisor should at least talk over the training problems with the general agent, and assist in the training program. The fifth and most questionable section was the soliciting with the agent. Mr. Ream said that the majority of the companies are against it. He said that while it is not primarily the function of the supervisor to go out with the agent on solicitations, the supervisor can well afford to go along as a matter of training for one or two cases. This is important for two reasons. It shows the manager what his duties are, as many managers do not assume this part of agency training at all, and it also adds to the good will of the agent and builds the spirit between the agent and the home office. Mr. Ream said that the time had passed for the cursory agency visits on the part of the agency supervisor and the intensive visits must now be developed.

### Gives Union Central Plan

Jerome Clark of the Union Central outlined the practice of his company in this connection, the Union Central only recently having adopted the supervisory method. Mr. Clark said that long agency visits are now made by these supervisors, the agency superintendents merely making brief visits to the larger offices. The object of these long visits is two-fold, to assist the general agent in securing new material and to train those already secured. He said that the visits to the agencies differ according to the purpose in mind. Where it is to secure new material, repeat visits are scheduled, so as not to detain the supervisor long in one territory and yet not break into the deal of securing new men. Mr. Clark said that while this plan is still young with the company, it anticipates that it will close the gap between the agent and the home office, and build agency morale.

The problems as affecting the Travelers and others having branch offices, were shown to be somewhat different, as the supervisor cannot approach field conditions in the same way. The branch office makes it impossible to actually help the individual agent. The supervisor's duty with the branch office company is largely along the lines of broadening the manager's perspective.

### Report of Field Trips

The discussion on "report of field trips to executives" brought up one of the most recent and most important questions in the agency department, according to several of the agency men. It

(CONTINUED ON PAGE 18)

## NASHVILLE MAN FIRST BIG GENERAL AGENT TO BREAK PRODUCTION RECORD

**S**ETTING out to establish a new sales mark for the Massachusetts Mutual Life, Frank M. See, general agent for the company at Nashville, Tenn., and president of the Tennessee Life Underwriters Association, found a new world's record for completed policies within his grasp and consequently established a mark far beyond the existing record by selling 318 policies on the 30-day period in October.

Mr. See's new record is unique in that he is the first to establish a record while carrying on duties of managing a general agency. During the 30-day period he visited an average of 61 persons daily and sold 25 percent of them policies for an average of 15 daily.

### Used Only Straight Sales Talks

In his drive he refused to use any sales talk other than the regular insurance arguments of good investment. He persuaded none to take policies for personal friendship or to assist him in making the record. A total of 107 of the applicants were persons that he had never before met. He made few second calls on prospects but in most cases proved successful on the first trip with persons interested in purchasing policies.

A tribute to Mr. See's popularity in Nashville insurance circles is the fact that 12 members of the National Life &

Accident force purchased policies unsolicited in order to boost the record. The president of the Life & Casualty also made application for a policy as a tribute to Mr. See's efforts.

### Made Excellent Record

He got into the insurance game by accident, having formerly been a prominent lawyer of Charleston, Mo. He was treasurer of Mississippi county, Mo., at the outbreak of the war and had served Charleston two terms as city attorney and the county as public administrator. He resigned his public office to enlist in the service, and came to Nashville with his wife in order that she might stay with her people while he was away. While waiting for his call to active duty, he tried his hand at selling life insurance and proved so successful that J. H. Smith, general agent for the Massachusetts Mutual, offered him a partnership on his return from the service. He has since been chosen as head of the Nashville Life Underwriters Association and at the last annual meeting was chosen to rule the affairs of the state organization.

He is at present teaching a class on insurance salesmanship at the Vanderbilt University Extension School, and is active in civic organizations in the city.



# Producing General Agents Wanted

in

**Washington**  
**Oregon**  
**Idaho**

**Michigan**  
**Virginia**  
**Kentucky**

Unusual opportunities and attractive contracts to men who are good **PERSONAL PRODUCERS** and who have ability to **ORGANIZE** an agency.

Must have details regarding **insurance experience**, production in each of last three years, and particular **territory** desired, in first letter.

For booklet "Why the Minnesota Mutual" write

**O. J. LACY**

2nd Vice-President—in Charge of Agencies

**THE MINNESOTA MUTUAL LIFE  
INSURANCE COMPANY**

SAINT PAUL

MINNESOTA

## On General Agencies

Some companies establish branch offices in various cities with salaried positions. And excellent results are obtained.

But the Atlantic Life believes in the General Agency system, where men work and build for themselves as well as for their company. It is looking for men who can build first-class General Agencies doing a big volume of business every year. To such men opportunities are unlimited.

The Atlantic Life is 24 years old, soundly established, and operating under most able management. Every possible aid and encouragement is given to our men. We want general agents of character in Alabama, Kentucky, Georgia, West Virginia, Michigan and Texas.

**Atlantic Life Insurance Company**  
Richmond, Virginia

**EDMUND STRUDWICK**  
President

**W. H. DALLAS**  
Superintendent of Agents

## HISTORY OF MOVEMENT

### TELLS EARLY BRITISH WORK

President Arthur B. Wood of the Actuarial Society of America Gives Interesting Talk

The address of Arthur B. Wood, president of the Actuarial Society of America, given before the joint meeting of that organization and the American Institute of Actuaries at French Lick, Ind., last week, was largely devoted to a history of the Actuarial Societies of Britain and America. Mr. Wood pointed out that this occasion, the first joint meeting of the two American actuarial societies brought a new departure in the history of these two societies and warranted a backward look over the history of the parent organizations across the water.

#### Parent Actuarial Society

Mr. Wood said that the Institute of Actuaries of Great Britain is rightly



ARTHUR B. WOOD

termed the parent actuarial society. It was established in 1848 and grew out of a managers' association which had existed in Scotland for sometime. These managers had felt the need of getting together from time to time and discussing matters affecting their common interests. They sought to enlarge their group to include the London representatives, and the idea spread to the actuaries in London. Shortly after the formation of the institute, those who had objected to the organization along strictly scientific lines, banded together into an organization called the Actuaries' Club. This was for personal purposes only. In 1884, however, the two organizations merged.

#### Schism Divided Actuaries

In 1853, when the institute was five years old, differences arose between the English and Scotch members, with the result that the Scotch members left the institute in 1856 and formed the Faculty of Actuaries in Scotland. This organization did not approve of the reading of formal papers at the meetings, feeling that this discouraged the younger members. In consequence of this view, felt by the founders of the faculty, the Actuarial Society of Edinburgh was established in 1859 by the senior members of the faculty. Its purpose was to assist students and junior members in the discussion and publication of papers. In 1901 the Actuarial Society of Edinburgh merged with the Faculty, which was incorporated in 1868. Although the Faculty of Actuaries and the Institute of Great Britain were founded because of disagreement, the breach between the two has long since been healed and the two societies are working in harmony.

In America, the Actuarial Society of America, the senior society in this country, was formed in 1889. Prior to that the actuaries on this continent had lived practically to themselves, their only ac-

## HITTING SWIFT STRIDE

### AGENCY MAKES GREAT RECORD

Hart & Eubank, New York General Agents for Aetna, Only Two Months in Field, Write \$9,801,327 Ordinary

NEW YORK, Nov. 12.—Hart & Eubank, general agents of the Aetna Life, report that the agency wrote \$9,801,327 of ordinary business in October in addition to \$5,681,000 of group business. This is the largest volume ever written in a single month by a New York office of the Aetna and was particularly noticeable because it is only the second month that Hart & Eubank have been general agents for the company in New York. In significance a great deal of credit is given by Hart & Eubank to the two big announcements of the Aetna, the free-of-medical plan, by which the company will consider, without examination, applications up to \$10,000 on policyholders not carrying the company's limit, who have been examined by the Aetna within two years, and the new half-premium whole life policy.

The agency set out at the beginning of the month to smash all previous records for volume of business produced, as an expression of their appreciation for their appointment as general agents. Nothing was said to the company, but the agents and brokers were taken into confidence and gave their hearty cooperation. When the results of the month were determined, a telegram was sent to President Morgan B. Brainard telling what the agency had attempted to do during the month, and presenting the October production to the company as a gesture of thanks from the new general agents.

#### Public Life Receiver Dismissed

Judge Foell in the superior court in Chicago Thursday dismissed the temporary receiver appointed for the Public Life of Chicago recently upon motion of a group of stockholders headed by the officers who had been superseded by others. The controversy over the company has been before the court for months. The court ordered that the company be returned to the board of directors, headed by Alfred Clover, founder of the company and chairman of the board. Associated with him in the management under the new arrangement are Harry G. Austin, president; T. J. Houston, vice-president; C. W. Kuhn, secretary-treasurer.

tuarial connections being with the British organizations. The Actuarial Society took in Canadian as well as American companies. About 13 years ago, a movement arose, chiefly among the actuaries of the companies in the west, middle-west and south, for the establishment of a new society. Thus, the American Institute of Actuaries was formed in Chicago in 1909. There was no friction between the two organizations, however, as several actuaries were members of both, and among the founders of the American Institute were several society members.

Mr. Wood said that a review of the actuarial societies on this continent would be incomplete without reference to the Casualty Actuarial Society which was founded in 1914 under the name of the Casualty Actuarial & Statistical Society of America. The present name was adopted in 1921. Mr. Wood said that a study of the origin and history of the several actuarial societies shows that their primary object has been largely educational. If this were not the object originally, it has become so as the result of a natural process of development. He said that the societies had acted as the medium through which much valuable cooperation work has been carried out by the companies. He cited this joint meeting of the two American societies as one of the most forward steps in this connection.

November 14, 1924

## LIFE INSURANCE EDITION

9

**EXPERIENCE IS GIVEN****NON-MEDICAL RISK DISCUSSED**

**Canadian Practice Told at Actuarial Meeting at French Lick Last Week**

Considerable attention was given to the subject of life insurance without medical examination at the joint meeting of the Actuarial Society of America in the American Institute of Actuaries at French Lick, Ind., last week. The experience of the Canadian companies was enlarged upon by several Canadian actuaries and the discussion centered largely around the practice in Canada. V. R. Smith of the Confederation Life of Canada stated that the Canadian companies began this class of business in 1921, primarily because of the difficulties of having examinations made. There have been more or less demands from the field for non-medical policies with a result that in 1921, five companies issued business on this basis. Today there are 17 or 18 companies in Canada that are writing non-medical business.

**Fears Quickly Overcome**

At first it was feared that there would be more or less hostility on the part of the field men and the examiners. The Canadian experience has proved both fears groundless, however, and the proportion of non-examined business has continually increased. It was also feared at first that the elimination of medical examination might result in higher mortality. One check on the question is the extent to which men apply coincidentally to several companies issuing contracts without an examination. A special bureau reports all such cases and they have been found to be rare. There are many restrictions about the writing of this business, so that the hazard is not as great as would appear from the name of the policy. In all cases the amounts and the ages at issue are restricted. The agent is required to ask virtually all of the questions of the medical examiner. By impressing on the agent the importance of his trust, the Canadian companies have experienced little difficulty. The practice has been liberalized so that in many cases, women are written on this basis as well as men. In some cases a lien is placed on the policy for five years.

Mr. Smith said that the mortality results have been very satisfactory, the non-examined business showing an even better mortality ratio than the examined business during the period 1921-1923. The mortality statistics available show that in 1923 the mortality had varied for several companies from 90 percent of the Canadian men selected table to 26 percent of this table. At present the Canadian companies have about \$150,000,000 of business in force, and are doing about \$12,500,000 monthly. In 1921, one company issued without medical examination 37 percent by number and 19 percent by amount of its total Canadian business. In 1922 these respective percentages were 62 by number and 39 by amount. In 1923, it had increased to 67 percent by number and 45 percent by amount.

J. G. Parker supplemented Mr. Smith's remarks by pointing out that the general practice of this business is very similar to that with medically examined business, except that the agent is given the responsibility of filling in the questionnaire. To those questions to which ordinarily an applicant subscribes are added questions in detail concerning rheumatism and pleurisy. Mr. Parker also pointed out that the agency forces in Canada, on account of the comparatively small sizes of the companies were in very close contact with the officials of the company and that the companies were thus able to impress upon the men the responsibility in the transaction of this business.

**HAYES IS SUPERVISOR****TAKES DETROIT LIFE POST**

**Will Be Inheritance Tax Adviser and Instructor in School That Company Will Open**

DETROIT, MICH., Nov. 12.—In connection with plans for the operation of a business bureau devoted to the development of tax problems as related to life insurance and for the establishment of a school of life insurance salesmanship which will be opened within a short time, President M. E. O'Brien of the Detroit Life has announced the appointment of Frank M. Hayes as agency supervisor. Mr. Hayes comes from the Michigan Mutual, where he has been general agent for Detroit. His earliest experience in the business was with the Merchants Life, after which he became connected with the Phoenix Mutual Life.

Mr. Hayes has been closely associated with business interests in Detroit, particularly with respect to inheritance tax and corporation problems. He will continue this contact work in Detroit and in addition will give personal attention to agents of the company in Detroit and Wayne county. Later on Mr. Hayes will be one of the principal instructors of the faculty of the life insurance salesmanship school for which the Detroit Life is now completing plans.

**ACTIVE IN ASSOCIATION AFFAIRS**

During the past year Mr. Hayes was secretary of the Life Underwriters Association of Detroit and was especially active in furthering arrangements for the cooperative advertising campaign now being carried on by the association. With Milton L. Woodward, then president of the organization, he brought about the joint efforts of the Underwriters and the Managers Association which made possible the collection of sufficient funds to defray the cost of the advertising.

According to Mr. O'Brien the appointment of Mr. Hayes is directly in line with an extensive program of constructive activity which is planned for the immediate future. Thus far in 1924 the Detroit Life has a record of \$14,500,000 of new business and expects to close the year with a total of \$50,000,000 in force.

**NOTABLE RECORD OF SERVICE**

**Robert W. Huntington, President of Connecticut General, Completes 35 Years With That Company**

Robert W. Huntington, president of the Connecticut General Life, will complete 35 years service this month. He entered the employ of the Connecticut General in 1889 when it occupied four small rooms on the fourth floor of the Connecticut Mutual building. There were about eight employees and \$8,000,000 in insurance in force at that time.

Mr. Huntington's first job included a little of everything—running errands, copying letters, taking care of the vault—but with it all he saw the opportunity in the study of the science of the business and became the company's first actuary in 1893. On the retirement of Mr. Hudson, the secretary, in 1899, Mr. Huntington succeeded him and was elected president—the youngest life insurance president in the United States—upon the death of T. W. Russell in 1901.

Mr. Huntington was graduated from Yale in 1889 and immediately entered the employ of the company. He married Miss Constance Alton Willard, of Lexington, Mass., on May 5, 1906. He has been president of the Insurance Institute of Hartford and the Dime Saving Bank, a trustee of the Watkinson Farm school and a member of the alumni advisory board of Yale university.

This is No. 12 of a series of advertisements appearing in *The National Underwriter*. Watch for succeeding ones setting forth Michigan Mutual opportunities.



**Michigan Mutual Life Building**

## What Is Service?

Is it not the performance of labor for the benefit of another? You get service and you give it. It is what makes the world worth while. Without it we wouldn't amount to much.

But there are all kinds of service, good, bad and indifferent. Mark this well. The kind of service that you get oftentimes governs the service that you render. If your company gives you good service, it is reflected in your contracts with your clients. Likewise if the service is poor your clients are apt to feel the effects of it.

For 57 years the Michigan Mutual has given service of the highest type. It has been above reproach. It has truly been a performance of labor for the benefit of others.

## Michigan Mutual Life Ins. Co.

**J. J. MOONEY, President  
GEO. B. MCGILL, Supt. of Agencies**

**A. F. MOORE, Secretary**

**Madison Ave. at John R. Street, Detroit**

### The Child's 20-Pay Life Optional Endowment Policy of the

## Great Republic Life Insurance Company of California

Protects both the child and its parents and includes waiver of premium in event of permanent total disability of the father, who is the beneficiary. Agents are enthusiastic over its wonderful selling features. If you are interested, write for copy of "Making Dreams of Your Children's Future Come True," and our attractive proposition to agents.

**J. R. RAILEY, Manager  
Southwestern Department  
401-2 Mercantile Bank Bldg.  
Dallas, Texas**

**E. L. BLACK, State Manager  
P. O. Box 299,  
Newport, Arkansas**

**W. H. SAVAGE, Vice President  
Los Angeles, California**

## Penn Mutual Conventions

At our Eastern Regional Convention in September there were twenty-four Field speakers, and only five Home Office. They touched almost every phase of salesmanship,—prospecting, income plans, mail plans, approach, closing, inheritance tax coverage, etc. Star salesmen gave their standard sales talks. In brief, there was a comprehensive and intensive survey of salesmanship.

This form of Convention is but one evidence of the modern method of instructional co-operation between our Home Office and Field.

We have places for men and women who believe that constant life insurance education is as necessary as constant industry.

The Penn Mutual  
Life Insurance Company  
Philadelphia, Pa.  
*Organized 1847*

## The GLOBE MUTUAL LIFE INSURANCE COMPANY OF CHICAGO, ILL.

### PROGRESS OF THE GLOBE

*Results for 1923*

GAIN IN INSURANCE IN FORCE.....	83 per cent
GAIN IN INTEREST.....	31 per cent
GAIN IN INCOME.....	26 per cent
GAIN IN ASSETS.....	23 per cent
AVERAGE GAIN IN ALL ITEMS.....	41 per cent

*This is away above the average of all Life Insurance Companies in the United States combined. It is a record we are very proud of and it shows how our policyholders appreciate the great service The Globe gives.*

#### CLAIMS PAID BY RADIO--TELEGRAPH--SPECIAL DELIVERY

T. E. BARRY, President, General Manager and Founder

THE Company with the personal contract offers excellent openings to clear-thinking, red-blooded agents who like to cooperate with the home office and who will in turn be given every possible aid in their development.

*Write or wire for further information*

### SAN JACINTO LIFE INS. CO. Beaumont, Texas

H. M. HARGROVE, President

INDIANA OHIO ILLINOIS IOWA MICHIGAN

## THE LA FAYETTE LIFE

LA FAYETTE, INDIANA

### MUTUAL LEGAL RESERVE

AGENCY CONTRACTS CONTAIN BENEFICIARY PROVISIONS

KANSAS KENTUCKY MISSOURI NEBRASKA

A text book for beginners, a review book for experienced men, a book that every life insurance man should have—Jacob A. Jackson's "Easy Lessons in Life Insurance." \$1.00 including Quis Book supplement. The National Underwriter, 1362 Insurance Exchange, Chicago.

## INTERESTING FIGURES ON AGENCY RESULTS

Statistics Show Tremendous Turn-over in the Appointment of Soliciting Agents

### MANY PART TIMERS USED

Some Companies Have Been Hard Hit by Economic Conditions in the Agricultural States

At one of the sessions of the Association of Life Agency Officers in Chicago this week, some interesting statistics were given by agency managers of certain companies. The newspapers however were asked not to mention the names of the companies. One of the large eastern companies stated that it had under contract last year, 8,056 agents. Of these 25 percent were part time men. The average new business per agent was \$82,000. It employed last year, 3,981 new agents. It terminated 3,058. Of these 1,830 were full time and 1,228 part time men. Of this number terminated 2,558 had been two years or less with the company. Of these 1,474 were whole time, and 1,084 part time men. Of these 500 that had been with the company over two years and were terminated, the whole time men were 333.

#### Avoids Rigid Rules

This company avoids any rigid home office rules to be followed by its managers for getting men and handling them. It believes that its managers are better acquainted with local conditions than the men. As a rule, however, 70 percent of the men under contract must produce some business every month. He said that sometimes some offices go as high as 90 percent. The home office watches these percentage figures. It helps the manager to have this rule. It shows him that there are some that are non-producing, or that are not producing as they should. They handicap his progress and therefore the manager spurs them on. A monthly report is received from every branch office, giving details as to production.

#### Where New Agents Come From

This agency manager said that 43.8 percent of the recruits in the agency field of his company come from old agents, 1.2 percent from old policyholders, 1.9 percent from medical examiners, 1.9 percent from advertising, .6 percent from circulars, 28.4 percent from personal solicitation. New business from new agents in this company last year amounted to \$103,000,000. The business of no new agent counts until he has produced at least five applications amounting to \$10,000 paid for business. This company has 125 branch offices and 68 salaried organizers, who help the branch managers. This agency manager said that no attempt is made from the home office to get new men direct. It does, however, keep in touch with the managers and uses every possible means to get them and the agents to secure new men.

#### Canadian Manager Speaks

The agency manager of one of the Canadian companies said that it operated on the branch office system entirely. It requires monthly reports as to what the agents are doing. He said that the company has few part time men. The conditions in some sections in which it operates forces it to put on part time men. It has 791 agents under contract. It put on 340 new men last year and terminated 375 contracts. This agency director said that the company is cutting down on non-producers and part

time men. It does not give quotas for any specified amount of new business as to its new agents. Last year the company received from new agents \$5,000,000. This year the amount will be \$8,000,000. He said that his company had had little success in getting new agents from advertising. The majority of the recruits come from old agents or through personal solicitation of the managers.

#### Appeals to Its Agents

He said that the company makes an appeal to agents to help it in getting new men. Formerly it gave bonuses to its men for getting recruits but it has discontinued this practice. He said that the men owing to pride are glad to help the company in this direction. He said that his company discouraged managers from writing personal business. It has 22 divisional offices and last year the managers personally produced not over \$300,000. In the opinion of this company, the manager should devote his entire time and energy to the securing and training of men. He should canvass the field for agency material, the same as the agents do for life insurance prospects. He should be on the lookout for material at all times. He said that his company desired its managers to devote more time to the training of new agents.

#### Large Company Experience

Another of the large eastern companies gave its experience. It has 8,500 men under contract. Of these 4,000 are whole time and 4,500 part time. Last year it employed 4,500 new men, 2,300 being whole time and 2,200 part time. It secured 50 percent of these through its old agents, and 30 percent through the solicitation of the managers or general agents. The new agents produced \$118,000,000. The company requires that from 15 to 18 percent of the new business written come from new men. It terminated 4,875 contracts in 1923. The agent he said must produce at least 10 cases a year, or his contract is canceled. Through this rule a large amount of business was lost, but the officers find that the company was more than compensated by the greater effort all along the line. Of the number terminated, 2,094 were whole time and 2,700 part time.

#### Object Lesson Is Used

This company puts the securing of new agents up to the managers primarily. However, the agency organization at the head office helped in every possible way. New men are interviewed by home office people. This is done more as an object lesson for demonstration to the managers. The home office originates and gathers together material for the managers.

#### Presents the Business to New Men

This is a standardized presentation of life insurance and the company for their use in securing new men. It is an agents' manual, so to speak. It presents the business as a whole and the company in particular. It shows what the business and what the company have to offer. It is used as a guide. This agency manager said that the company wants the wives of the prospective new agents to read this over and digest it because the wife's cooperation amounts to much. The company should tell frankly what it will do for a man. The agent has a right to know it. This company lays much emphasis on training. The agency manager said that its policy had proved a success. Since 1920 the average increase of new business per agent has been \$10,000 a year. He said that the methods of training are left to the manager. The material and suggestions are given by the home office.

#### Effects of Depression

An agency manager of one of the companies in the northwest was very frank in his statement, and showed the effects of the financial strain in that territory. It has 600 men under contract. Of these 125 are whole time and 475 part time. Last year it employed 250 new agents. Of these 50 were whole time and 200

part time. He said that 22 percent came from old agents and 5 percent from policyholders. In this connection the company gets out a quarterly for policyholders in which it features a field man each month. It asks the policyholders to help get new agents for the field men. Two percent of the new agents came from medical examiners, 20 percent from advertising and circulars. It gets out a special booklet that the general agents use in securing new men which has proved very effective. It secured 3 percent from personal solicitation of managers and home office staff.

#### BUSINESS FROM NEW MEN

This agency manager said that 52 percent of the company's new business last year came from the new men appointed. The agency organization and the production have been severely hit in these agricultural states. In some sections, the agents found it almost impossible to do anything. Companies have had a most strenuous time in trying to hold their organization together. He said that every general agent was urged to increase his business each year 20 percent. Last year this company terminated 230 contracts.

#### MORE EXPERIENCE IS GIVEN

Another agency manager whose company is entirely on the general agency system said that it had 4,784 licensed agents. Last year it put on 342 whole time and 722 part time men. Its new agents produced \$14,000,000 new business, which was 10 percent of the entire amount. It terminated 420 contracts last year. It has 58 general agencies. This company has one assistant in the field who helps general agents in adjusting their internal administrative problems. He visits the offices, makes a survey of the situation and then makes suggestions. In this way the company is striving to have all its general agents operate more on a uniform basis so far as their internal affairs are concerned.

#### THREE TYPES OF CONTRACT

Another agency man whose company has done much in rehabilitating its organization and putting on a lot of steam said that until May last year no drive had ever been made for new business or no allotment given. It has 78 general agents. This company has three contracts: Whole time, part time and brokerage. He said that the home office is studying the results from each class. It will cut out the non-producers. He said that it is highly necessary to give more time and money to the training of new men.

#### CAN DIVIDENDS BE TAXED?

**Question Raised by Former Revenue Agent Now Before Mississippi Supreme Court**

Whether or not dividends on participating life insurance policies are liable for taxation is expected to be decided by the Mississippi supreme court within the next week or two.

A hearing will be given en banc in the supreme court this week in the case of former State Revenue Agent Stokes V. Robertson vs. New York Life, in which the former revenue agent seeks to make the participating dividends liable for taxation. The plaintiff alleges in his bill of complaint that the participating dividend is in reality a surplus over the actual amount of the premium necessary to maintain the policy, or is in substance an excess premium, and that when it is credited back in payment of a premium it becomes liable to the privilege tax exactly as any other premium.

The companies, on the other hand, claim that such dividends represent the original earnings of the premium paid, which have already been taxed, and cannot be retaxed.

Much interest is being manifested in the outcome of the case as it will affect participating policies all over the state.

## AWAIT NEXT STEP IN CONTEST OVER POLICY

**Companies Show no Intention of Withdrawing Half-Rate Form**

#### AGENTS GATHER EVIDENCE

**Effect to Show That Policy Issued by Prudential and Aetna Is Used Unethically**

NEW YORK, Nov. 12.—There is some speculation as to what the next step will be in the movement on the part of the New York Life Underwriters Association to obtain the withdrawal by the Aetna Life and the Prudential of their half premium or half rate for five year policies. Following the resolution of the agents requesting withdrawal of the policies both companies issued statements stating their position and giving no sign that they intend to withdraw. Both claim that the policy is ethically and actuarially sound and that there is a real demand for it on the part of the public. The view expressed by the Prudential is that it meets the same need as the convertible term policy without having the disadvantages of term insurance.

President Dufield of the Prudential denies that the policy was issued for competitive purposes and said that he understood that a number of companies were planning to issue the policy and that their efforts in the field would be welcome.

There is a good deal of guessing as to what the agents will do in case the companies hold to their determination to keep these policies on the market. Members of the committee are refusing to give out any statement but it is well known that evidence is being collected to show that the policies are being used in an unethical way to twist business. It is undoubtedly the hope of the agents to convince the companies that the viewpoint of the association is correct and that the policies will be withdrawn without any calling of names or any ill feeling at all. Right at present little is being done about it. The executive committee of the New York Association will meet Thursday of this week but it is not likely that any further steps will be taken at that time. The collection of evidence will probably continue. The two companies will be given ample time to consider the matter.

It is perhaps significant that within a month the Life Presidents' Association and the Insurance Commissioners' Convention will meet almost simultaneously in this city. If the matter is not settled by that time it is hardly possible that the movement can escape the notice of these two bodies. What the result will be can only be guessed at.

The situation recalls the introduction of the Metropolitan \$5,000 special a number of years ago. At that time the New York Association took up the cudgel and fought a bitter fight and convinced the insurance department that the rate for Metropolitan special was not sufficient and forced that company to increase its premium rates.

There are many today who claim that the Metropolitan was right and point to the dividends being paid on the \$5,000 special to show that the rate estimated by that company could have been maintained. While everything is for a peaceful settlement now there is no doubt that the agents are determined to effect the withdrawal of these policies and are comparing surpluses of the various companies involved as a basis for a fight. Such a development would be of tremendous harm to the insurance business and of course the companies might not enter into it as willingly as some of the agents might expect.

**Capital \$200,000**



THE life insurance agent who wishes to obtain the representation of a reliable and pre-eminently honest company will find The Gem City Life admirably suited to his needs. The Gem City will equip its agents to write all forms of personal protection and in one good strong company.

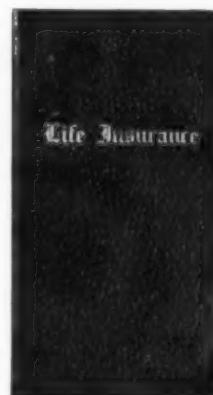
There are exceptionally good opportunities for agents and general agents in good producing territory.

## GEM CITY LIFE INSURANCE COMPANY

I. A. MORRISSETT, VICE-PRES.

DAYTON,

OHIO



## For Xmas.

Give Life Insurance Record Books. Here is a book that is of practical use to your client and as such will be appreciated and used.

The Life Insurance Record book is designed to fill a long-felt need—a place where a man can keep a complete record of his insurance. The book provides and keeps a record of the following:

Premium and due dates  
Net cost, year by year  
Emergency Cash or Loan Values

Price \$1.00 for 1  
.90 in lots of 25  
.80 in lots of 50  
.65 in lots of 100

It gives you an opportunity to audit his insurance and get the benefit thus obtained. The Record book is of convenient size—it fits the pigeon hole of your client's desk—it will be in constant use and your name will be before him the year 'round.

In lots of 25 or more, your name will be printed on fly leaf without extra charge.

### E. L. KAUFMAN

Room 700, Austin Bldg.

111 W. Jackson Blvd.

Chicago, Ill.

Telephone Wabash 3933

I would like to examine a Life Insurance Record Book. I enclose \$1.00. If I am not completely satisfied I will return the Book and my money will be cheerfully refunded.

Name.....

Address.....

**LOUISIANA STATE LIFE  
INSURANCE COMPANY**  
**Home Office, Shreveport, La.**

**TEXAS**

**J. C. EVERETT, Manager**  
317 Wilson Building Dallas, Texas

**ARKANSAS**

**J. E. LEEPER, State Manager**  
P. O. Box 1077 Little Rock, Arkansas

**We may have just what you are looking for. Why not get in touch with us?**



## A Wall of Protection

What we desire our agents to see, the vision we want them to get, is that when they place a policy they are building a wall of protection about some home in their community. We want them to realize that it rests with them to make this wall just as high and as strong as it is possible for their earnest convictions to make it.

A "Wall of Protection" built of Ohio National policies, which includes Disability (2 forms), Double Indemnity, Non-Cancellable, Accident and Health, three forms of Juvenile Half Rate, Whole Life and Monthly Premium Policies, we believe is a wall that will firmly meet the assault of the enemy.

We have several good opportunities for General Agents and District Agents in:

Ohio—Pennsylvania—Michigan—Iowa—Nebraska—West Virginia—Texas—Tennessee—Kentucky—Arkansas and New Jersey.

for men who can prove their ability.

For information write (in confidence if you desire)

## The Ohio National Life Insurance Company

T. W. APPLEBY, President  
W. F. MACALLISTER, Agency Manager

### INCONTESTABLE CLAUSE INTERPRETED BY THE ILLINOIS SUPREME COURT

**A**NOTHER case involving the contestable clause in a life policy has been decided by the Illinois Supreme Court. The decision in question holds that notice of rescission is not a contest within the meaning of the contestable clause in the policy.

In Powell vs. Mutual Life, supreme court of Illinois, 144 N. E. 825, the company issued four policies to Alfred E. Powell. One for \$3,000, April 28, 1919; one for \$3,000, May 13, 1919; one for \$5,000 and one for \$4,000 issued Oct. 27, 1919. Each of these policies contained the following clause:

"This policy shall be contestable after two years from its date of issue except for nonpayment of premiums."

The insured died on Oct. 26, 1921, and suit was started on the policies by the beneficiaries on Feb. 21, 1922. In defense to this action the company set up that on Dec. 2, 1920, it had discovered that the insured had made false and fraudulent answers in the applications, and that it (the company) had immediately served notice in writing that the policies had been canceled, and the premiums had been tendered back, with interest.

#### Question Is Stated

The beneficiaries demurred to these pleas and the trial court sustained the demurrers. The company elected to stand by its pleas, and judgment was rendered in favor of the beneficiaries, which was affirmed in the appellate court. Appeal was then taken to the Illinois Supreme Court, where the question was squarely raised, as to whether the notice of rescission and tender back of premiums by the company constituted a contest within the meaning of the contestable clause of the policies.

#### Point at Issue

Under this issue the company contended that when it rescinded the policies within the two year period noted in the contestable clause, it had contested the policies within the meaning of that clause, and that it had the right to make that defense against payment of the policies. The beneficiaries took the position that the contestable clause required the company to contest the policy within two years of its date, by an action or defense in court, and since this was not done the attempted rescission was of no avail. In passing upon this question the court, with Justice Farmer dissenting, said:

#### Notice of Rescission Not Contest

"By the great weight of authority in this country, to contest a policy for fraud it is essential that the insurer proceed by way of defense, to a suit brought upon the policy or by independent action to cancel the same, and that notice of rescission, with tendering back premiums and interest, is not a contest within the meaning of the clause. \* \* \*

"Mere notice of rescission for fraud settles nothing. Actual rescission is permitted for fraud without the consent of the other party to a contract where such fraud is shown, but the right to rescind does not exist unless such fraud is proven. Charging fraud and serving notice of rescission cannot, of itself, be a rescission for fraud. It still remains to be proven whether or not fraud in fact exists.

#### Raises Issue of Fact

"By notice of rescission for fraud the insurer raises an issue of fact and whether the policy is still good or is canceled depends upon the decision of that issue. The law recognizes but two ways of settling issues of fact. They are by stipulation, admission, or agreement, and by proof adduced before a legal body competent to find the fact. The nature of the contract requires that an issue of this character be summarily

settled and that it be not permitted to pend throughout the life of the insured.  
\* \* \*

#### Judgment Against Insurer Affirmed

"The plaintiff in error [insurance company] not having contested the policies in the manner required under the rule stated, the trial court did not err in sustaining the demurser of defendants in error to the pleas filed, and the appellate court did not err in affirming such action. The judgment of the circuit and the appellate courts are therefore affirmed."

### DISCUSS HALF-RATE POLICY

#### Richmond Association Refers Recommendation of New York Body to Executive Committee

At the November luncheon-meeting of the Richmond, Va. Association, a communication from the executive committee of the New York City Association suggesting that the Richmond body go on record against the issuance of half rate policies and requesting companies issuing them to withdraw them from the market was read along with the copy of a resolution in which the New York Association had already voiced its protest against such policies. The matter was referred to the executive committee of the Richmond Association with the suggestion that the committee submit a report at the December meeting. Before this action was taken, C. M. Rankin, in charge of the industrial office at Richmond of the Prudential, one of the several companies issuing such policies, suggested that the committee in looking into the matter also give attention to a special policy issued by the Metropolitan which he regarded as being in practically the same class as the half rate policy.

A communication from the executive committee of the National Association asking the Richmond Association to voice its disapproval of the writing of endowment insurance for colleges in cases like that at Princeton in which one of the group taking out the insurance for the benefit of the institution was permitted to act as agent and receive the commission with the understanding that it was to be used in connection with the maintenance of the insurance, likewise went to the executive committee.

J. C. Goode, chairman of the executive committee, said that his committee was looking into formal charges preferred by W. S. Drewry, general agent of the Connecticut General, against A. O. Swink, Virginia manager for the Atlantic Life, in connection with the so-called Baker-Royer twisting case, and hoped to have a report ready by the next meeting.

On motion of S. B. Love, Virginia manager for the Mutual Life of New York, A. O. Swink, G. W. Diggs and N. D. Nills were appointed a special committee to communicate with J. W. Clegg, national president, and endeavor to get him to address the December meeting of the association.

#### Gregory Heads Federal Reserve

Wesley H. Gregory, organizer of the Federal Reserve Life of Kansas City, Kas., was elected president of the company at the annual election Nov. 7. Mr. Gregory has been connected with the company since its beginning in 1919, but has held no position in the official roster. He succeeds W. L. Payne. Other officers elected were D. H. Holt, secretary-treasurer; M. G. Vincent of Crawford county, retained as first vice-president, and D. H. Murphy of Coffeyville, elected second vice-president.

**DEBATE COMPENSATION****TAKE UP M. A. LINTON'S PAPER****French Lick Meeting Devoted Much Time to Consideration of This Matter**

FRENCH LICK, IND., Nov. 12.—One of the features of the joint actuarial meeting held at the French Lick Springs last week, was a discussion on the paper presented by Vice-President M. A. Linton, of the Provident Mutual, on "Return Under Agency Contracts." Mr. Linton expressed his belief that the time has arrived for setting up standards, at least for guidance, in the matter of compensation for general agents and agents. With this in view he instituted a comprehensive research into the subject. He has found that the work is so complicated as to preclude exhaustive study from which absolute conclusions might be secured, though he has developed some basic rules from the practice and experience of the Provident Mutual. For a number of years the general agents of that company have placed in his hands figures on the cost of doing business.

**McClain's Comment**

In the discussion of Mr. Linton's paper, A. P. McClain said that while it might be quite satisfactory to adopt Mr. Linton's views as a guide it would be necessary to determine the permissible variation from his figures to serve the needs of each company.

He felt that, in this discussion, the company should not concern itself with the relation between the general agent and agent, a point which Mr. Linton attempts to cover in his calculations by assuming the portion of the gross commission which is passed on to the solicitor. It is important, too, to consider

the value which the franchise of an agent's contract is to him as a business asset. It is further necessary to consider the proportion of the agency business which comes from the agents, from the personal production of the general agent, and from brokerage.

**Should Consider Investment**

It was Mr. McClain's opinion that the small amount of capital required by the field men in the life insurance business should be taken into account. He said that no business offered such large returns on the investment and that it was very much in order to inquire if it were fair to expect a return on capital out of proportion to that which it earned in other lines of business. In a sense, he felt that the companies and their general agents might be regarded as "friendly enemies" in that the company desired to acquire its business at the lowest possible cost while the latter naturally expected the highest possible return. He felt that there was more or less "trading" involved in every individual case. The basic problem was "What does a company wish to pay for its business?"

**Presents Younger Companies' Case**

George Graham of the Central States Life said, in behalf of the younger companies, that Mr. Linton's paper based its conclusions on agencies doing a million or more a year of business. The younger companies generally have to deal with agencies which have yet to attain to that mark. Their work is development not only of a selling force but of establishing their company with the public. This involves problems beyond the present experience of the older companies. In their advance, they must base their expense on conditions assuming no production and no renewals. In a way, the younger companies must determine what they can afford to lose on an agency development, and surround their appointments with the blueist of pessimism, so far as regards possible returns. What is the safest way to meet

these conditions? Obviously, the method safest for all concerned is to provide remuneration on a high commission basis. The agency leaders must be compensated adequately to insure growth.

For this reason, they find it advisable to seek large personal producers as general agents since the development of new agents takes so much of the leader's time that he himself can accomplish little. If too much time is devoted to securing and training agents, the results are apt to be too costly at the beginning in spite of the fact that this is the ultimate and desirable end. Under these conditions, the general agent should hold out a certain portion of the agent's commissions as his own, to compensate him to a degree for the financial loss the general agent is bound to suffer.

**Moir Commends Paper**

Henry Moir of the United States Life said he felt that Mr. Linton's paper was most valuable and that its purpose was to be considered suggestive rather than dogmatic. He welcomed it as the first attempt that had been made to throw scientific light on the problem. He felt that the entire subject had been approached in an inquiring vein and was a distinct contribution to life insurance literature.

Mr. Moir amused those present greatly by stating that Mr. Linton had not made any particular comment on the "part-time" men, but that it had been his observation that all life insurance solicitors were "part-time" agents to a greater or lesser degree, which would have some bearing on the conclusions to be drawn from Mr. Linton's paper. Upon this remark, some wag in the audience inquired of those present if there were any "full time" actuaries.

**Rhodes Gives Views**

E. E. Rhodes of the Mutual Benefit said that in his opinion it was proper to bear continually in mind, in this problem that the general agent was neither an employee nor a partner of the com-

pany, but that he was a man with whom a contract had been made to send his product—his applications—exclusively to that company for sale, with the option on the part of the company of accepting or rejecting it. From this viewpoint, a standardized contract was the proper inducement, and that the element of bargain and trade should be entirely eliminated, although he granted that some concessions might be in order in establishing new general agencies.

**Explains Absence of Questions**

In further comment on his paper and after the preceding remarks had been made, Mr. Linton said that he had originally given consideration to the various points raised, but that the length of the paper necessary to cover the subject fully had made it advisable to cut it down and deal with it as he had, at the expense of certain obvious omissions. As a final word on the subject, he stated that, just as the successful life underwriter found it was best policy to adopt his sale to the prospect and his needs, so was it also good business on the part of the companies to adopt its expense and compensation program to its general agents and its own advancement. While he did not regard his paper as complete nor his conclusions as final, he was confident that it would open the subject in a constructive manner and that in due course of time, definite benefits would ensue.

**Hartford Host to Ad Men**

A great many insurance men will be in Hartford Nov. 17-19, when the New England Advertising Clubs hold their convention under the auspices of the Hartford Advertising Club. Winslow Russell is to talk on "Coordinating Sales" at a special session just for insurance men at the Phoenix Mutual Life, Tuesday morning, Nov. 18. Other speakers offered during the week include Bruce Barton, Roger Babson, Merle Thorp, Dr. Reisner, Edward Filene and numerous others.

# Story of the INTER-SOUTHERN LIFE

## Selling and Salesmanship

If you believe these advertisements, and have followed them, then they have probably convinced you that salesmanship is the highest order of science. Executives must be salesmen; doctors, dentists, lawyers, bankers and candlestickmakers, must be salesmen. It is the art of rendering a service of any kind, far in excess of the price paid for that service. There is room for a new army of new salesmen in the life insurance endeavor. It is a vocation; it is a profession; it is a trade; you travel about; your time is your own; you meet other men; life's vision is broadened. It is a uni-

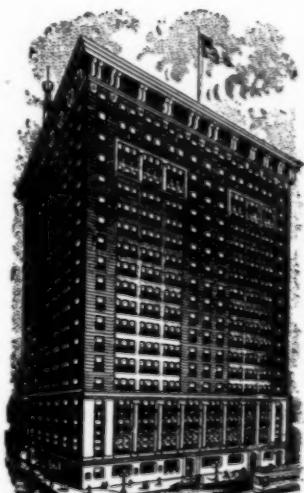
versity of education that lasts from the cradle to the grave. It presents an opportunity that may be grasped, nurtured, schooled and put into practical operation at much less expense than either the doctor, the lawyer, the dentist, or any other of the learned professions. It does not require the capital necessary for the merchant, the banker, the manufacturer, or any other line of commerce and production. It does require skill, energy, ability and character.

If you have these, write to some good life insurance company today.

This is our

## STATEMENT OF PROGRESS

Jan. 1	Total Admitted Assets	Insurance in Force	Reserve and Surplus to Policyholders
1911 .....	\$ 326,568.75	\$ 3,182,597.00	\$ 271,952.37
1914 .....	1,719,222.64	15,068,585.00	930,688.98
1916 .....	4,506,812.89	36,260,222.00	4,396,139.55
1918 .....	4,664,170.30	37,000,000.00	4,542,000.10
1919 .....	4,820,779.76	37,800,000.00	4,803,678.12
1920 .....	5,494,297.54	45,569,851.00	5,386,804.06
1921 .....	6,143,069.31	57,901,271.00	6,045,958.52
1922 .....	6,873,447.45	59,204,291.00	6,773,280.06
1923 .....	7,371,274.27	62,591,398.00	7,332,928.21
1924 .....	10,464,497.66	88,502,548.00	10,391,747.71
1924 (Sept.) .....	11,100,000.00	94,500,000.00	10,626,000.00



INTER-SOUTHERN LIFE BUILDING.  
OWNED BY THE COMPANY

## INTER-SOUTHERN LIFE INSURANCE COMPANY

JAMES R. DUFFIN, President

LOUISVILLE, KENTUCKY

IS A GOOD COMPANY

Eighteenth Year

## DIRECTORY OF LIFE INSURANCE

### ILLINOIS

**WYMAN & PALMER**  
General Agents for Illinois  
BERKSHIRE LIFE INS. CO.  
of Pittsfield, Mass.  
105 So. La Salle  
**CHICAGO, ILLINOIS**

## THE UNITED STATES LIFE INSURANCE COMPANY

In the City of New York  
Organized 1850 Non-Participating Policies Only  
Over 70 Years of Service to Policyholders

Good territory for personal producers, under direct contract.  
**HOME OFFICE**  
105-107 Fifth Avenue New York City



- (1) Are you a good personal producer?
- (2) Are you an organizer of men?
- (3) Have you accumulated \$25,000 in assets?
- (4) Are you of the best social standing?
- (5) Can you earn \$10,000 per year?

Check up on your record now. See if you can land this opportunity at Kalamazoo, with one of the dominant old line life insurance companies.

Once you land this position we will go the limit to help you. Experts will aid in closing business and you will be supported by policies having new selling features and settlement provisions not yet issued by any other company, and by a low percentage of rejections.

You will receive a contract direct with the home office, a liberal first year commission, a renewal commission, a collection fee, an office allowance and a business-development allowance.

Show us how you measure up! Address K-79, care The National Underwriter.

Note: We also have an unusually attractive, special contract for good salesmen whose experience is limited.

## HOME LIFE INSURANCE CO

New York

ETHELBERT IDE LOW, President

### The 64th Annual Report shows:

Premiums received during the year 1923 .....	\$ 7,000,000
Payments to Policyholders and their Beneficiaries in Death Claims, Endowments, Dividends, etc. ....	5,871,544
Increase in Assets.....	2,401,397
Actual Mortality 56% of the amount expected.	
Insurance in Force.....	247,373,216
Admitted Assets .....	46,665,222

### FOR AGENCY APPLY TO

W. A. E. BRUEHL & SONS  
General Managers  
Central and Southern Ohio and Northern Kentucky  
Rooms 601-606 The Fourth Nat. Bank Building  
CINCINNATI, OHIO  
HOYT W. GALE  
General Manager for Northern Ohio  
229-233 Leader-News Building  
CLEVELAND, OHIO

## SHOWS PRODUCTION RECORD CAN BE SHATTERED IN A LARGE CITY

ROBERT A. BROWN, of the John Newton Russell home office agency of the Pacific Mutual Life, last month passed the former world's record for the largest number of life applications completed in a single month, though his record was immediately passed by another, F. W. Felkel of Anderson, S. C., who wrote 320 cases in October.

In October Mr. Brown completed 268 cases with the first year's premiums all paid in advance. This production exceeds by six applications the record previously established by Clarence H. Smith of Cattaraugus, N. Y. on Oct. 15.

### Achieved in Big City

The outstanding feature in connection with Mr. Brown's remarkable achievement is the fact that this is the first time since the late Harry Roson wrote 157 completed applications in September, 1921, in New York City that the record has been broken in a city of more than 200,000 population. Obviously it is immeasurably easier to establish a record in a small community owing to the fact that different and yet distinct sales methods are employed. In a small town having but 4,000 population it is comparatively easy to arouse community pride in such an undertaking. It is no problem to acquaint one's friends to secure publicity thus keeping before the small populace what one is attempting to do. In other words, the achievement is not purely individual and sooner or later becomes a community proposition.

### Many Unusual Difficulties

In a larger city such as Los Angeles, having a population of more than 1,000,000 people, the problem of putting over such a record is unusual. The difficulties of seeing prospects are numerous, especially in the metropolitan districts where it is almost impossible at some times during the day to find convenient parking space for one's automobile. This is but one of the many difficulties that Mr. Brown had to overcome. Yet it is interesting to learn how he achieved his remarkable results.

Practically all of Mr. Brown's applications were signed and examined in the downtown district of Los Angeles and in virtually every case medical examinations were sent to the applicant's office. It required 10 doctors comprising the examining staff of the company to handle Mr. Brown's cases. Applications came in on an average of ten each day, the lowest number during the month being three, the highest twenty.

### Moved to Action by Others

Mr. Brown originally got the idea of attempting to establish a new record at the time the National Association of Underwriters was in convention during July in his city. At that time some of the insurance journals came out with information to the effect that H. E. Scott of Demopolis, Alabama, had accomplished the unique undertaking of writing and completing 176 cases, thus exceeding the previous record held by Mr. Rosen in New York City. The fact that Mr. Scott was able to make such a splendid showing in a small community aroused Mr. Brown's interest and he resolved to establish a new high mark in life insurance underwriting. It was his opinion that it would be proportionately easier to write a greater number of applications in a large city than a small town and as a result of this intention he determined to set the goal at 200 completed applications. It was not until September that he finally resolved to go after this record. During that month R. M. Vandiver of Alabama completed 212 applications. As a result Mr. Brown raised his quota to 250 applications and during the second week of September he began to make preparations for his drive. Simultaneously the

home office agency, under John Newton Russell began preparing for its annual drive during October. The campaign was to be called "Appreciation Month" and was for the purpose of acknowledging the remarkable work which the Pacific Mutual and its officers had done during its present administration.

### Paid Tribute to Officers

One of the first things which Mr. Brown did was to prepare an elaborate scroll of genuine parchment, which was embellished with the pictures of the company's president, executive vice-president, the home office building and a copy of the "Big Tree," which is a symbol of the company. It is interesting to note the phraseology used in the introduction of this scroll. It is as follows:

"Mr. George I. Cochran, president,

"Mr. Lee A. Phillips, executive vice-president.

"As a tribute to you and the Pacific Mutual Life Insurance Company we deem it an honor to express in this manner our appreciation for the constructive work you have done to the upbuilding of this community."

This scroll was about 20 inches by 30 inches in size and spaces were marked off to provide for 250 signatures. Having completed this part of the work, Mr. Brown on Sept. 16, left the city for San Francisco and did not return to Los Angeles until Sept. 29. While he was away the only work carried on by his office was that which his secretary did, namely, to address some 400 envelopes to his policyholders and prospects. Upon his return to Los Angeles Sept. 29, Mr. Brown began laying actual working plans for his campaign, realizing that a tremendous amount of work would be involved. He typed during the month three separate form letters, a method of acquiring new business which he had previously found successful.

### Ante Frequently Raised

At that time Dan V. Edmondson of Alabama set a new record of 221 completed applications, and more determined than ever Mr. Brown set about to secure his allotment of 250. Actual work was begun on Wednesday morning, Oct. 1, at 8 a. m. He made his first call, carrying his scroll with him, and explained his campaign in full to his prospect. At the end of the first day he had 10 signed applications and several promises. At the end of the second day he had 20 applications and 12 promises. For the first week and a half he was able to maintain his regular schedule but it was on Oct. 10 that word came from Sturgeon Bay, Wis., that Earl M. LaPlante had set a new record of 251 completed applications. During the first three weeks Mr. Brown experienced a great deal of difficulty in making his regular calls because he was devoting his time to men who maintained offices in the business district of the city. It was impossible to get around conveniently and for a while he employed a chauffeur in order to save his time. About Oct. 15 he had 103 completed applications to his credit and it was not until later in the month that the most interesting phase of his campaign matured. He had sent out a form letter requesting the recipients to return the enclosed card indicating their willingness to hear his story. The first mail

## MORE THAN 50%

of the business written by some of our larger agencies is a direct result of the Fidelity lead service. Our agents interview interested prospects—people who have written the Head Office for information.

Fidelity is a low-net-cost company operating in 40 states. Full level net premium reserve basis. Over Quarter of a Billion in force. Faithfully serving insurers since 1878.

### FIDELITY MUTUAL LIFE INSURANCE COMPANY, PHILADELPHIA

Walter LeMar Talbot, President  
A few agency openings for the right men



Stephen M. Babbit  
President

## Hutchinson, Kansas

### MR. AGENT!

Do you care for QUALITY, not SIZE? Age, Sound Experience, Low Cost, a Splendid Record for 70 years?

Then why not take a General Agency in its HOME STATE for

### THE ST. LOUIS MUTUAL LIFE

OUR AGENTS AND POLICY HOLDERS STOCK! WRITE THE HOME OFFICE

## SAFETY!

Not taken for granted, but an actual business-producing type of policy with rock bound safety which every insurance buyer is interested in. Such is the security of the National Life and behind every National Life agent. And, as such, it helps him secure the confidence of insurance buyers; popular policies and our cooperation help to sell them.

### NATIONAL LIFE ASSOCIATION

DES MOINES, IOWA

National Underwriter  
Want Ads BRING Results

## Eureka-Maryland Assurance Co.

OF BALTIMORE, MD.

Incorporated Under the Laws of Maryland, 1882

WE USE

### Standard Ordinary and Industrial Policies

J. C. MAGINNIS, President  
J. BARRY MAHOL, Vice-President

J. N. WARFIELD, Jr., Secretary-Treasurer  
Dr. J. H. IGLEHART, Medical Director

brought in three replies from men located at widely separated points. It would have been unwise to attempt to call upon these people, for there was a danger of their not being in their offices. Consequently he employed the telephone and for the first time during the month he closed his first case by this means. The other two were also completed in the same way. Mr. Brown thus decided to devote the remaining days of the month to selling insurance to friend and stranger alike over the phone. From then on he secured on an average of about one application out of every ten calls made. Of these about one in four were from strangers. Mr. Brown constantly sat at his desk with the receiver at his ear and in one day received 12 applications over the phone. More than \$747,000 of written business was completed during the month. Of these there were four \$100,000 applications.

**Grew from \$1,000 to \$100,000**

It is interesting to note that in one case a prospect had been asked to sign a \$1,000 application, instead he later increased the amount voluntarily to \$50,000 and still later before the expiration of October, after he had been notified that the company would accept



ROBERT A. BROWN

more insurance, the amount was raised to \$100,000. Another who had originally applied for \$1,000 advised the medical examiner to tell Mr. Brown to increase the amount to \$50,000.

Contrary to the general method employed by many who have attempted to establish a new record, Mr. Brown maintained a consistent program. He retired regularly at 9 o'clock every evening and arose at 6 o'clock on the following morning and one of the most interesting features of his entire campaign was the fact that he never engaged in any business on Sunday. During the Russell campaign regular meetings were held at the home office on Tuesdays and Thursdays from 12 until 1 o'clock. Mr. Brown attended every meeting held during the month.

**Mr. Brown's Career**

Mr. Brown was born at Devils Lake, N. D., and attended school at Anoka and Minneapolis, Minn. He went to Los Angeles when he was 17 years of age and was employed by a large wholesale firm where he served as a city salesman for about seven years. He went with the Pacific Mutual in May, 1911, and has been regularly engaged as a life underwriter since that time. He has long been one of the leading producers of the company and is at the present time the president of the Big Tree Club and is serving the second term as president of the Monday Morning Club of the home office agency.

**Frank L. O'Rourke**

Frank L. O'Rourke of Gordon, Neb., has been appointed general agent of the Old Line of Lincoln, Neb., for a territory embracing six counties.

## Pan-American Life Commercial Policy

Our new Ordinary Life Commercial Policy has created more sincere interest than any insurance policy we have presented to our Field Organization. This is evidenced by strong letters of endorsement received from many of our representatives and the tremendous volume of business written on this new form of contract.

Under the terms of this policy the premium for the first five years is not only very low, but after five years there is only a very small increase over the original rate. The illustration at age 35 given below fully explains this:

	Annual Premium	Total Premiums
First 5 years	\$ 14.42	\$ 72.10
Next 15 years	21.71	<u>325.65</u>
		\$397.75
Average annual premium for 20 years		19.89
Cash value at end of 20 years		287.68
Annual net cost after deducting cash value at end of 20 years		5.50

This illustration is presented simply to show the progressiveness of the Pan-American Life Insurance Company and the character of service it renders to the Field Organization.

We have a number of important agency openings for men not presently connected.

*Address*

**E. G. SIMMONS, Vice-President and General Manager**

# PAN-AMERICAN LIFE INSURANCE CO.

NEW ORLEANS, U. S. A.

**CRAWFORD H. ELLIS, President**

## DISCUSS UTILIZATION OF OLD POLICYHOLDERS

**Given Special Attention at Convention of Life Agency Officers**

### SAY SERVICE IS KEYNOTE

**All Speakers Stress the Necessity for This Attitude, Rather Than Greed for More Premiums**

The utilization of old policyholders in building an agency was given special consideration at the closing session of the Life Agency Officers Association meeting in Chicago, Wednesday, though it was clearly pointed out by all the speakers that new business should not be the motivating force, but rather service to the policyholders. This service, properly rendered, will bring in the new business of itself, but service is the basis of successful agency building in this connection, as in all others.

#### Show Results of Plan

Gordon Ramsay of the Canada Life told of the success he has seen in this work. He said that in one case an agent had written to the old policyholders merely offering his service in connection with readjusting the beneficiary clause, selecting those whose policies had been made payable to their estate. This brought a surprising response, from big men and those of humble means. Many prominent business men, otherwise very difficult of approach, not only responded, but came into the agent's office to make the desired change and express appreciation for this unusual interest in their cases. Needless to say, a large volume of business was written as a result, much of it without even leaving the office. Mr. Ramsay felt that this question of beneficiary clause was a most effective avenue of approach for utilizing old policyholders.

#### Give Service as Keynote

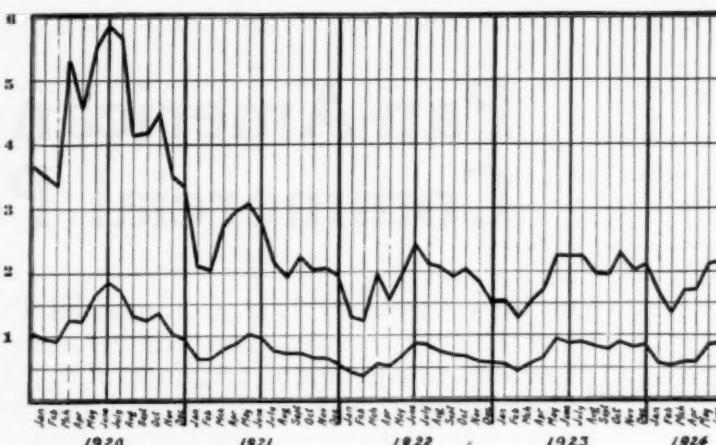
L. P. Brigham of the National Life of Vermont spoke of a case in which the general counsel of his own company was brought face to face with this service to old policyholders, upon the death of his wife. Mr. Brigham suggested that this service is invaluable, whether extended by the general agent or the home office, though perhaps the former is the most appropriate.

Mr. Baker of the Prudential told of the efforts of his company to develop this thought, all 16,000 agents of the company being impressed with the fact that service to policyholders is the keynote to success. They make service calls on policyholders, altogether omitting the solicitation idea.

#### Tells Northwestern's System

George Copeland of the Northwestern Mutual Life, which company makes a special effort to develop old policyholders, told of the experiences of his company. He said this matter goes back to the agent himself, although the company is cooperating to the fullest extent, having formed an educational department for the purpose. The agent, however, is the keystone in the arch of utilization of old policyholders. Mr. Copeland incidentally remarked that agency conditions must be improved, lest the insurance departments themselves take a hand in the matter. The Northwestern Mutual writes well over 50 percent of its new business on old policyholders and the development of this work is largely in the hands of an educational director, Mr. Davies. The

## EXPERIENCE OF NORTHWESTERN MUTUAL IN SELLING FARMERS



**T**HE accompanying chart shows the recent experience of the Northwestern Mutual Life in writing farmers. The period covered includes 1920, 1921, 1922 and 1923, and the first six months of 1924. The lower line shows the number of farmers in thousands written each month, and the upper line the amount of insurance in millions. The chart shows the depression through which farmers have passed, resulting in a smaller number of lives insured and a decrease in amount of insurance. The years of 1922 and 1923 combined scarcely exceed 1920 in the total live risks, while on the amount basis, 1922 and 1923 combined do not equal 1920.

#### Business Is Increasing

An increase in business written on farmers seems to be at hand, however, as the first six months of 1923 show more than \$100,000 increase in the amount written on farmers over the same period of 1922. The first six months of 1924 show approximately the same increase over the corresponding period of 1923. There is reason to believe that there will be a greater increase for the last six months of 1924 over the corresponding period of 1923 than the increase of the second half of 1923 over that of 1922.

As an example of the progressive spirit of farmers, the Northwestern Mutual gives some figures on the dairy farmers of Wisconsin who are members of cow testing associations. Previous to 1924, 70 percent of the farmers had installed steel stanchions, 64 percent had drinking cups for cows, 26 percent had milking machines, 33 percent had tractors, 32 percent had electric light, 34 percent had power washing machines, 30 percent had modern heating plants, 94 percent had silos and 95 percent had automobiles. These figures do not give a complete idea, as thousands of farmers have passed out of the association class and do their own testing.

#### Conditions Are Favorable

Conditions should be even more favorable for the life insurance agent now, as during the past few weeks wheat prices have been about 30 percent higher than a year ago. Some states have had a poor wheat crop and low prices for three successive years, and bumper crops should enable them to liquidate at least in part indebtedness incurred during the recent depression. Prices for corn and for oats also show a considerable advance. The farmer should be in a better position financially than at any time during the past three years.

system of mail enclosures, letters and follow-up was described by Mr. Daves, who said the company is building for agency permanency and believes this development of old policyholders is the best means of so doing. He said he hoped to see the day when the agency contract will have a market value, just as a set on the stock exchange.

#### Harris in Strong Talk

An excellent sales talk was given by George H. Harris of the Sun Life of Canada, in continuation of this subject. Mr. Harris said that this development of policyholders has been stressed in the insurance classes at McGill University in Montreal and a test Mr. Harris recently made proved conclusively the value of the work. He told each man to go out and see the first three names on last year's register and make a purely service call before the next class meeting a week later. Upon reporting, 38 had closed sales as a result of the calls and some had closed new policies on all three. Mr. Harris suggested that an analysis of past work is essential to intelligent agency building and the agent should analyze his work to the finest detail to guide future activity. He should know which class of prospects he could best sell, what time of day was best for him, which part of his territory was most productive and every other possible detail.

Mr. Harris said that definiteness, directness and concentration will bring results. He said the manager could direct an agent to report a week later with

\$10,000 new business, without results, while, if he told him to see John Smith at three o'clock and report the next day as to the results, the latter would be forthcoming. Mr. Harris took occasion to commend the sale of income policies, saying that the best sales, though not necessary on income policies themselves, are made on canvasses built up on income arguments. He said that when applications for \$17,300 or \$16,400 or such amounts come in, the companies can feel they are accomplishing their purpose of selling life insurance to fill some specific need. He said further that it is not knowledge, but the interpretation that brings results, illustrating by saying that the actuary would be the best agent were the reverse true.

#### Northern Life Promotions

George W. LaFray, who started with the company in 1913 as office boy, has been appointed cashier of the Northern Life of Seattle. Mr. LaFray's experience includes service in the bookkeeping, policy, renewals, actuarial and agency auditing departments. He also served as teller, assistant cashier and office manager.

At the same meeting Arthur P. Johnson was elected second vice-president, D. M. Morgan, fourth vice-president; J. H. Sargent, secretary, W. L. Willey, assistant secretary and O. A. Erincou, actuary. Preceding the appointments the stockholders authorized the appointment of a fourth vice-president, needed because of the growth of the company.

## AGENCIES SHOULD NOT BE JUDGED BY SIZE

**Question of What Makes One Successful Discussed by Company Executives**

### CITE OUTSTANDING CASES

**Life Agency Officers Believe Ability to Handle Opportunities Is Basic Principle**

The closing session of the annual meeting of the Association of Life Agency Officers, held in Chicago this week, was largely given over to a discussion of what makes a successful agency. It was very generally agreed that size and volume of business are not criterions of success, but rather the adaptation of opportunities as they exist. Examples of outstanding agencies, without personal reference, were given by the officers.

#### Gives Basis of Success

Glover S. Hastings of the New England Mutual Life cited the case that he considered the outstanding success with his field. It was not a million a month office or a huge organization, but one that wrote \$2,500,000 last year. The factor of success was shown in that the general agent, a man without education other than personal reading and an apparent failure in previous business attempts, had taken this agency and in three years built it from \$393,000 to over \$2,550,000, with but a small percentage of personal production. This work was done in the face of special difficulties, as it covered a territory larger than the state of Massachusetts. Mr. Hastings said that this success had been accomplished by service, which he characterized as the basic principle of a life company. He expressed his opinion that in 95 percent of the cases a successful agent is the one who has the ability to render expert service. It is not a question of amount of business produced, but what the agent does with the opportunities afforded.

#### Genius Is Cited

W. H. Dallas of the Atlantic Life then told of his company's outstanding success, a man be termed a genius. Again a man of no education, with a humble start, he had achieved success at 39 years of age. He started with an apprenticeship in two life company home offices and launched out on his own on the side. He developed as a personal producer and was given a large territory which now, after 15 years, shows \$50,000,000 in force. This office is writing \$10,000,000 annually. Of particular note is the fact that this man has apparently violated all rules of agency building, in that he has maintained his place as one of the company's leading producers, as well as building an agency that has only one peer in its territory. He writes as high as \$3,500,000 annually himself and ably directs an organization that reports \$10,000,000 annually, with a further handicap in that he has established a comparatively small and young company.

Mr. Baker of the Prudential added that as well developed with his company, service and conservation are the basic principles of success rather than salesmanship, which he feels is a misnomer in life insurance.

**Hugo J. Darneider** has been appointed district manager for the New England Mutual Life at Sheboygan, Wis. He was previously engaged in the banking business in Sheboygan.

## CONSIDER DISABILITY WAS DISCUSSED BY ACTUARIES

**Give Considerable Attention at French Lick Meeting, as Matter of Increasing Importance**

The writing of disability benefits with life insurance policies was the subject of considerable discussion before the joint meeting of the Actuarial Society of American and the American Institute of Actuaries at French Lick, Ind., last week. This branch of the business is of comparatively recent development and the companies are now facing the full loss experience under the disability clause. J. D. Craig, actuary for the Metropolitan Life, presented some new information of interest on this subject, speaking of the experience of the Metropolitan in recent years. Mr. Craig showed that the number of claims was much higher at the lower ages than according to the Hunter table, though easing off at ages over 55 to about equal the Hunter table.

### Is Important Factor

Mr. Craig emphasized the importance of this addition to the life contract, stating that while it was regarded by many as a nonessential, this could be disproved most easily by mathematical calculation. It was pointed out that on those attaining the age of 20, 70 percent would be alive at age 60, when disability coverage ceases, and that during that time 59 percent of the premiums would be collected. Mr. Craig showed that, compared with the cost of term insurance, the cost of the disability clause is clearly shown. Calculation of the term rate to 60 and similar figures for the disability show that the disability premium at age 20 is 22 percent of the term rate, at age 30 is 21 percent, and 40 is 20 percent and at age 50 is 20 percent. In group insurance, the disability clause is thus clearly shown.

### Causes Are Shown

Mr. Craig showed that the leading causes of disability are tuberculosis, rheumatism, cancer and organic heart trouble. They contribute 15 percent of the disability claims. There is a wide variation in possible payments of the total disability benefit, since the duration of lives ranges from death or quick recovery from diseases like pneumonia to indefinite longevity under claims based on insanity. In addition he said some diseases such as tuberculosis show a disability of what the company makes it. That is, the payments are entirely a function of the liberality of construction of the contracts. Thus, there arises a large managerial problem in the administration of disability claims as well as in the actuarial phase of the question.

The Provident found that its actual to expected claims were about 21 percent while the actual payments to expected amounted to about 25 percent. It was necessary to set up a large reserve, which appeared in the gain and loss exhibit, against any substantiated claim, but that death or recovery released large proportions of these reserves as a general rule. The three months waiting clause eliminated the bulk of claims.

### Suggests Increased Disability

F. B. Mead of the Lincoln National feels that the degenerative influences have not yet revealed themselves due to the limited experience, but that disability will undoubtedly increase as time goes on. He stated that the experience on single women had been about on a par with men and would undoubtedly so continue.

During the discussion, frequent reference was made to "Hunter's Table," which is the basis for calculating disability premiums. Arthur Hunter rose to comment on the experience which the New York Life had had over a period

of 14 years. His belief is that during that entire period, the disability has yielded a profit to the company. He prepared the table as a basis and his observation indicates it to be entirely satisfactory until the experience is greater. Not only is the disability advisable as a separate proposition, but its benefit to life insurance will more than offset any loss it might entail. It should, furthermore, be interpreted morally and liberally, not legally. Mr. Hunter said that not only number of claims should be considered, but probable duration.

The other side of the question was taken by J. B. Gibl of the Penn Mutual who felt that the present rates were entirely inadequate and that competition will render them more so because of undue activity on the part of the field force personnel. He found that legal decisions were forcing constructions far beyond the original intention of the contract. Not only that, but additional claims will undoubtedly have to be paid after the precedent of the law has been

established. There is the constant pressure of the accident and health companies and the state insurance commissions and elsewhere to force greater restrictions. The extent of disability of women is hard of attainment because of the difficulty of arriving at facts, both of a personal nature and of determining the fair indemnity for their loss of working time. Taken all in all, the situation will have to be improved, in Mr. Gibl's opinion, or at least the younger companies may find that their financial strength will be seriously impaired.

J. F. Little of the Prudential stated emphatically that the social benefit of disability was unquestionable, and that, furthermore, the life companies, because of their better organizations were the proper people to administer it. Mr. Little took occasion to question the remarks of preceding commentators with reference to disability on married women. It was his distinct opinion that the insurance companies should try to determine a basis on which married

women could be insured against total disability rather than to try to avoid such coverage since the loss of the woman in the home was a most serious matter with most families. Not only was she unable to do the ordinary functions of a mother and a housekeeper, but the extra care was costly and should be met in part at least by the insurance companies. Mr. Little, furthermore, stated that there was a certain peculiar value to addition of the total disability clause. The man who is so unsound physically as to be unable to work is a drag on his family, and he knows it. The result is the formation of a morbid state of mind for, no matter how much those he may be dependent upon, love him, he realizes that he is in the way and earnestly hopes and seeks their and his own release, whereas, if there be some money coming in, no matter if it be small in amount, he has the feeling that he does contribute something with the consequent moral stimulus, which, at least, implies a hope of recovery.

# 50.97%

of the **new business issued by The Northwestern Mutual Life Insurance Company of Milwaukee, Wisconsin, in 1923 was upon applications of members previously insured in the Company.**

**The  
Policyholders'  
Company**



**Once a Policyholder—Always a Prospect.**

**THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY  
MILWAUKEE, WISCONSIN**

*W. D. Van Dyke, President*

# MINNESOTA

Just Opened by

## ROCKFORD LIFE

For direct contract with Company, write to

**FRANCIS L. BROWN, Secretary and Manager  
ROCKFORD, ILLINOIS**

**HOLD SALES MEETING****GUARDIAN LIFE CONFERENCE**

**Representatives from Several States Attend All-Day Session at Philadelphia for Strong Program**

PHILADELPHIA, PA., Nov. 8.—An all-day conference of Guardian Life representatives in Pennsylvania, Maryland and New Jersey was held here today, being the first of its kind in the company's history. The program announced last week was followed, with the following changes: Vice-President T. Louis Hansen delivered an interesting address on the company's past and future, M. E. Ray of Newark, N. J., and Charles F. Kuhns, of Baltimore, Md., were unable to be present. Ralph De Lucia, of the Philadelphia agency, spoke on "Why I Never Write a Policy for less than \$2,500," and Dr. Wilmer H. Krusen, director of the Municipal Department of Health, urged underwriters to go after medical men, in an address which substituted for the afternoon sales demonstration scheduled.

Vice-President Hansen made two prophecies: that similar conferences would be held by the Guardian from time to time and that the company would probably retire all its stock in the near future and become entirely a mutual company. It is nearly a mutual concern now, he pointed out.

**Took First Place**

He congratulated E. J. Berlet, Philadelphia manager, for capturing first place in "President's Month" and remarked that the three states represented at the conference had contributed 20 percent of the \$7,500,000 written in that month. He also called attention to the fact that the Guardian Life was really born in Philadelphia, as its founder resided here at the time, although he later

moved to New York and took out a charter there.

H. O. Snyder, manager for Williamsport, Pa., said, in an address, "Your best prospects are the men you have just sold, because you probably haven't written them for enough."

**CANVASS MEDICAL MEN**

Director Krusen, who has been teaching medical men for about 30 years, said there is urgent need for them to be protected by life insurance from wildcat financiers, for the reason that medical men give so much thought to their science that their financial judgment is usually poor. "When you write a medical man," he declared, "the chances are he won't know his own annual income. Many are careless about collection of bills. A monthly premium form is most likely to appeal to doctors, because they get most of their income by the month." Dr. Krusen, under whose department come poorhouses and other municipal institutions, spoke authoritatively in stating that an alarming amount of dependency could have been prevented by life insurance.

James A. McLain, assistant superintendent of agencies, told of home office helps for the men and women in the field, citing how, of 33,000 high class names recently circularized, 20 percent had replied. He pointed out that the most important part of the agent's work is the approach, for the agent is nonexistent in the prospect's mind until the approach is made.

**Wealth Increasing Rapidly**

Former City Statistician Cattell gave impressive facts and figures showing that the nation's wealth is increasing proportionately faster than its population. He said this buying power constitutes a wonderful opportunity for life underwriters.

In a unique and unrehearsed sales demonstration, A. P. Shalet, instructor of the Philadelphia Y. M. C. A. life insurance course, displayed cheerfulness and repartee that made a decided hit

with the audience, as well as with the prospect, Frank F. Mathers, president of the local Kiwanis Club, who had been chosen as the "buyer" instead of a life underwriter.

"The man who carries some insurance is a better prospect than the uninsured man," said Mr. Shalet, who is a big producer for the Mutual of New York, "because in the former case part of the work already has been done for me. In the latter case the man has probably been solicited time and again and has refused for reasons of his own."

**Speaks on Technique**

The feature address of the conference was made by Prof. H. W. Hess, of the insurance department, University of Pennsylvania. His analysis of salesmanship technique won enthusiastic applause.

The entertainment features included music, recital of a life insurance poem by Miss Blanche Eisenstein, of the Philadelphia agency, a lunch, music and presentation of "The Heart of the Estate," a life insurance playlet which scored heavily at the recent national convention in Los Angeles.

**JUNIOR LIFE AGENCY OFFICERS HOLD MEETING**

(CONTINUED FROM PAGE 7)

was pointed out that this question has received practically no attention in the past, while it is one of the most important, as a means of systematizing and improving field work. In a discussion of this by A. L. Cummings of the Minnesota Mutual, he said that there was little standardization as to how these reports were sent in, to whom they go, or what plans are made for a follow-up. Mr. Cummings said that this work should begin with the planning of the agency visit. He said that if it is worth while to make a report at all, there should be a definite statement of what is to be accomplished before starting.

This should be followed up with a definite report as to the accomplishments at the end and then again followed up to see that the recommendations are given some consideration. Mr. Cummings said that these reports cannot cover the personal equation, but they can be used as a preliminary sheet and point out many things that are now overlooked in the agency visit. Mr. Holderness stated that this is unquestionably one of the most important questions now before the agency field men and that in this connection the questions are many and varied.

**C. L. CROSS SPEAKS**

C. L. Cross of the Provident Mutual explained some of the details of the advance report used by his company for these agency visits. He said that the preliminary report drawn up before the supervisor makes a call, gives complete details as to individual and territorial production in the agency, so that the supervisor can knowingly approach any man in the field and discuss his individual problems. It is prepared before the visit and not only aids the agency supervisor in approaching those in the field, but gives a basis for comparison of the final report on accomplishment. Also it enables another supervisor to take up the work where the original supervisor left off, if it is impossible for the first one to continue. At the conclusion of the discussion the junior agency officers approved a motion that the senior officers recommend to the Life Insurance Research Bureau that it work out some definite program along this line.

**SECURING OF MANAGERS**

The last subject considered at the junior agency meeting was of special interest, as it dealt with their particular problems, the question of prospective managers. George C. Capen of the Connecticut General in opening this discussion said that it was apparently unanimous that managers should be secured from the company's own organization if possible. He said that this was not

**Missouri Said, "Show Me"-a****The "Show Me" State**

Missouri became a part of the United States with the Louisiana Purchase, it having been claimed by France on the ground of the discoveries of La Salle 1681-82.

It did not become a state until August 10, 1821.

The early Missouri settlers were picturesque backwoodsmen and river boatmen.

No sturdier group of pioneers ever blazed the trail through swamp and wilderness.

Soldiers from Missouri played an important part in the Mexican War, and Missouri in the days preceding the Civil War was a constant center of history making.

The famous Missouri Compromise will always have an important part in American History.

Agriculture, manufacturing, lumbering and mining all have an important part in building Missouri's prosperity.

This diversity of interests stabilizes labor and income.

**Royal Union Life**

**Insurance Company**

**KANSAS CITY BRANCH OFFICE**

801 Orear-Leslie Bldg.

Kansas City, Mo.

**A. P. Osborn, Branch Manager**

**E. G. Mercer, Cashier**

**Paid to Policyholders, Over \$17,000,000.00**

**Insurance in Force, Over \$125,000,000.00**

always possible and that the younger and smaller companies did not have the same advantage in this connection as enjoyed by the older and bigger companies. He said that where it is necessary to go to other companies for managers, great care should be taken in the appointment. As for those outside of the business altogether, Mr. Capen said that there are many recognized branches of business that furnish good managerial timber and that in all cases the supervisor should make certain that the man appointed is an organization man.

#### Financial Ability Important

In listing the essential qualifications for a prospective manager, Mr. Capen said that financial ability is one of the most important, that is, ability to handle the business on a sound basis and not take on more than can be carried. He said that personal production is also necessary, or at least the knowledge of agency work. Mr. Capen said that the Connecticut General had recently attempted to get away from the personal production manager in many cases, and found this a difficult task. After a man has built a clientele, and has a large personal production, it is difficult to get him to drop this and become an organization man only. Ambition, ability to handle men, judgment and many other qualifications were also listed.

#### Plan of the Travelers

In the discussion of this talk, the plan of the Travelers was outlined, where the managers are required to demonstrate their ability as personal producers. The Travelers believes that its managers must be able to do as well or better than what it asks his men to do. It was also said that the successful agent can not be a selfish man, but the selfish man cannot be a successful manager. W. G. Fitting, of the Equitable Life of New York, said that there is need for a definite program in the selection, training and supervision of new men, if the supervisor is to tell the man-

ager how to carry out his program. He said that the Equitable has adopted a definite policy of managerial appointments and that a soliciting agent is considered as a possible assistant manager only when he has shown his ability to bring in men and train them.

#### Five Essentials Given

The assistant manager is not considered a candidate for a position as manager until he has shown himself capable of handling the manager's office, and willing to subscribe to the following five essentials: Willingness to work, willingness to work the company's way, knowledge of the business, proven ability to hire and fire agents and an interest and desire to help others. Mr. Fitting said that this program enabled the manager to have the producer's viewpoint. He said that the Equitable's experience had also shown that the producer of \$250,000 or more is not a likely success as a manager, as the big producer loses the viewpoint of the average agent.

F. R. Woodbury, of the Pacific Mutual Life, added that the essential in a prospective manager is that he must be a good business man. Mr. Woodbury cited two cases from his own company's experience, showing that the group business men had developed a large agency without cost, the big life insurance producer had accomplished little in the way of building his agency, doing that at some cost. E. A. Winey of the Mutual Trust Life added that managers are not made, but are found, discovered.

#### F. C. Morss Speaks

F. C. Morss of the Provident Mutual suggested that supervisors should carefully watch the clerical forces in the home office for those who have a leaning towards the producing men. He said that there are three classes of prospective managers, those in the field, those in the home office clerical force and those in the general agency clerical force and all three produce excellent material. Mr. Ream of the Mutual Benefit said that he believed the question

of financial ability had been a little overstressed in that it was looked on as a question of financial assets. He said that of equal importance was the question of financial sense, as the latter gives the manager an opportunity to build his agency on a sound basis. He said that the test for this was to find whether the man is living within or beyond his income.

#### W. H. Dallas' Views

W. H. Dallas of the Atlantic Life expressed his opinion that the smaller companies are overlooked in discussions of these questions and that the big companies forget the small companies' problems, although the former went through this stage at one time. Mr. Dallas said that the small company finds it necessary to take the personal producer and establish him with the hope that he will at some time in the near future develop as a general agent.

#### Metropolitan's System

An interesting discussion of the Metropolitan system, although not applicable to the conditions encountered by the ordinary companies, was given by T. B. Graham of the Metropolitan. That company uses its own agency forces entirely for managerial timber, the civil service program of agents to assistant to manager being played out in all cases. Mr. Graham said that the poor producer is not a good manager, but that the good producer is not necessarily a good manager. He gave an analysis of 1,000 men recently made by the Metropolitan which showed that the best men are found between ages 23 and 45, are married men with one or two children in preference to larger families or single men, are high school graduates, rather than college graduates or men of less education.

#### Writes Big Group Policy

The Connecticut General Life has just closed a million dollar group life policy with the Barber Asphalt Company, which has taken out this insurance for

its employees in amounts from \$1,000 to \$5,000. The Connecticut General had a most successful group life month in October and among other risks wrote the Metropolitan Distributing Company, the Victory Chain Company, the S. & E. Motor Tire Corporation and the W. H. Dunne Company.

#### Talk Robertson Law Repeal

With the election of Mrs. Miriam A. Ferguson as governor of Texas the question of repealing the Robertson law had been brought back into the lime-light. Mrs. Ferguson is the wife of former Governor James E. Ferguson, who was impeached during his second term. Mr. Ferguson was pledged to the repeal of the Robertson act and the enactment of a law which would practically let down the bars so far as foreign insurance companies entering Texas are concerned. Those close in touch with the present situation say Mrs. Ferguson will probably take the same view. Attorney General Keeling, speaking unofficially, declared:

"Former Governor Ferguson was committed to the repeal of the Robertson law, which has practically excluded foreign insurance companies from Texas for twelve years, and it is understood Mrs. Ferguson will sponsor the same move."

#### Not "Carrying" Insurance

"How many times a day do you ask men and women this question, 'How much life insurance do you carry?' said Josephine Lincoln, editor, in the 'Underwriters Radio,' the official monthly publication of the Oklahoma Association of Life Underwriters.

"How often do you hear folk say, 'I carry all the life insurance I need.' It will be money in your pocket if you will bring home the thought to every one that they are not 'carrying' life insurance, but life insurance is 'carrying' them.

"Change your tune. Put on a new needle. Ask your customer, 'How much life insurance do you own?'"

# Ie-and We Did! . . . . .

The American public for years has complimented the intelligence and foresight of Missouri citizens by calling it the "Show Me" state.

That discriminating Missourians have been pleased with Royal Union policies and Royal Union service is best shown by \$16,000,000 of Royal Union Life Insurance upon the lives of Missouri citizens.

Though the spirit of "Show Me" makes for carefulness—they are quick to recognize merit.

This great state ranking high in agriculture, manufacturing and mining, offers a diversity of occupation and income which keeps "business good."

Royal Union agents at least are finding Missouri an ever increasing source of pleasure and profit.

# ROYAL UNION LIFE

## INSURANCE COMPANY

Des Moines, Iowa

A. C. Tucker, President

D. C. Costello, Secretary

Wm. Koch, Vice-President

**TEXAS  
AGENCIES OPEN  
RESOURCES  
Over One Million Dollars  
OUTSTANDING  
INSURANCE  
Over Twelve Million  
Dollars**

**For Particulars Write**

**The Western National Life  
Insurance Company**  
Box 2131  
Denver, Colorado

Note: During the 12 years we have been in business we have never contested a death claim nor have we ever lost a dollar on any investment. No past due interest December 31st, 1923.

**H. A. HOPF &  
COMPANY**  
MANAGEMENT ENGINEERS

**Specializing in Advisory Work for  
Insurance Companies**

**Organization      Equipment      Standardization  
Methods      Personnel      Modern Office Planning**

**Main Office—40 Rector St., New York  
Western Office—327 S. La Salle St., Chicago**

**INTERPRETS TAX LAW**

**PROMINENT ATTORNEY SPEAKS**

Preble Tucker Addresses Cincinnati Association on Income and Inheritance Pointers for Life Underwriters

CINCINNATI, O., Nov. 11.—The Cincinnati Life Underwriters Association at its last meeting was addressed by Preble Tucker, a New York City attorney of high standing, who spoke on the question of income and inheritance taxes and their relation to life underwriters. Mr. Tucker has had considerable experience as a counsel and adviser of many New York City trust companies and has appeared before Congressional and Senate committees when the subject of constitutionality of proposed tax revisions was up for consideration.

Mr. Tucker stated that the first thing a life underwriter should know is the fact that Congress has not unlimited power in the matter of tax laws, but is limited by the constitution in the enactment of these laws as interpreted by the Supreme Court. Mr. Tucker stated that the Supreme Court has defined income, and Congress is limited by it, as it has no power to place a direct tax on property. The new tax law affects life practice in four ways: In the question of cost, in the results to beneficiary, in the plan of the policy and in the plan of settlement option.

**Deals with Federal Law**

Mr. Tucker's talk dealt chiefly with the federal tax law, in its relation to its effect on earned income and income earned by capital, its effect on the estate, its effect on co-partnerships and its effect on gifts. He went on to say that Section 219 is written into the law because Secretary Mellon realized that the government was losing money through funded life insurance trusts. He stated that until this was written into the law it was possible to save the tax on that part of the income, used in paying premiums on life insurance policies. He went on to say that criticism is now being made of trust companies which accepted contracts of this kind which the law now renders obsolete. Mr. Tucker had advised in cases of this kind that no such trusts be formed, but that securities, the income of which is to pay the premium on the policies, should be turned over to the beneficiary who should create the trust. Mr. Tucker said that this method is effective and is legal. He said that a revocable trust no longer protects the income of the grantor, whereas an irrevocable trust is not affected.

**Are Help to Life Agent**

In discussing the estate taxes, Mr. Tucker said that the strength of the life insurance argument has been greatly increased by the increase in these taxes, and that they have been a boon to the life insurance man.

With reference to the gift tax, Mr. Tucker pointed out that it was interjected as part of the estate tax law, and applies only to individuals. He said that he thought that this part of the law would be repealed, inasmuch as it did not define a gift, and as it is an attempt to tax property directly, without due apportionment, and takes away the privilege of disposing of property as a gift.

**Life Value Chief Factor**

In discussing business insurance, and its relation to the tax law, Mr. Tucker pointed out that in any concern the life value is the most important factor. He said that when a business corporation takes out life insurance, it is protecting itself not only against the loss of the insured, but is also protecting its property, which would only have "junk" value, if not working. Mr. Tucker stated that under no circumstances should a co-partnership be made the beneficiary, and that in nine cases out

**SEE PROSPERITY AHEAD**

**INTENSIVE CAMPAIGN URGED**

L. Seton Lindsay Gives Closing Remarks Before Life Agency Officers Association

In his closing remarks before the Association of Life Agency Officers, which adjourned its annual meeting Wednesday noon, L. Seton Lindsay of the New York Life, retiring chairman of the association, briefly summed up the present business situation and pictured general prosperity as imminent under the conditions of today.

**Sees Reign of Prosperity**

Mr. Lindsay said that everything points to a general improvement in business. Foreign affairs are quieting down. A sane, wise government, backed by a tremendous vote, is assured at home for four years. Business will increase in all lines. He cited the recent boom on the New York stock market as a mere indication of this. Taking up the question of how the companies will take advantage of this, he said they would do so, assuredly by increased energy, by more intelligent work and by closer and better organization. Then things will go without saying.

**Should Cite Significance**

Mr. Lindsay pointed out, however, that the companies will fail in their mission, unless they create in the minds of the people the full significance of what life insurance can do for them. He said there is no question that insurance companies offer the safest investment, as was pointed out at the association's banquet by Senator Lewis the preceding evening. Mr. Lindsay said the average man, meaning the wage-earner, salaried man or professional man, should put 50 to 75 percent of his savings in life insurance. This he said without reflection on the fine work of the savings banks, saying that their work was of a temporary nature for a specific purpose, while life companies offered a life program. He said that in this age of the specialist, the life company could qualify as the expert investor. Mr. Lindsay urged the life agency officers to return to their homes and do their full duty to agents and public along these lines.

**Thurman's Mother Dies**

Oliver Thurman, who was attending the meeting of the Association of Life Agency Officers in Chicago this week, was advised of the death of his mother in McMinnville, Tenn. Another son, C. T. Thurman, is general agent of the Mutual Benefit at Richmond, Va. The Life Agency Officers Association appointed a committee, consisting of O. J. Lacy, Minnesota Mutual; Charles Hommeyer, Union Central, and Glover S. Hastings, New England Mutual, to draw up a resolution of sympathy for Mr. Thurman.

Another executive who had come to attend the meeting, President J. J. Cadigan, of the New World Life of Spokane, was called to Boston on account of the death of his mother.

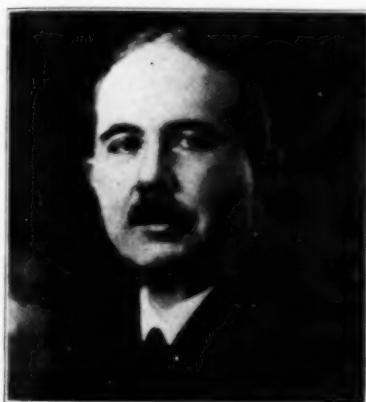
of ten the most economical way of providing for protection is for each partner to insure his own life for the benefit of the other. He pointed out that in this way, where the insured's personal activities in the conduct of the business are factors in the success of that business, the premiums are necessary business expenses and are not considered personal, and are therefore deductible in reporting taxable income.

The Minnesota Mutual's paid for business for October, 1924, was \$484,000 in excess of that for October, 1923. Its October paid for business is greater than it has been during any previous month in 1924 by approximately \$50,000.

**EVANS GIVES REVIEW  
TELLS ACTUARIAL PROBLEMS**

Specialization Seen as Need of Near Future—Annuities Should Be Developed

In his address before the annual meeting of the American Institute of Actuaries at French Lick Springs, Ind., last week, President Percy H. Evans presented some suggestions as to work which now lies before the actuarial societies and other organizations of life insurance executives. Mr. Evans spoke of the value of the joint meeting of the American Institute and the Actuarial Society of America and said that the objects of the two bodies in their fundamental interests are identical, although their special fields and methods will always be different. He said that the actuarial societies have the same fundamental interests: First, the systematic advancement of actuarial theory and practice; second, the creation of a tradition of right action amounting to a code of ethics and its enforcement; and



**PERCY H. EVANS**

third, the moral obligation to pass on to the succeeding generation an improved opportunity for sound actuarial education.

**Suggests Specialization**

Mr. Evans said that in every living science there comes a time when opportunity for specialization begins to open up, and the need for specialization becomes more and more imperative. He suggested that this time might be arriving in actuarial science. He said that the educational activities of the institute will be most fruitful if they are developed on as broad a basis as is consistent with technical necessity. Mr. Evans said that it is evident that the companies in the near future must begin to collect experience with disability benefits and adjust them to some standard of underwriting practice.

**Annuity Practice Undeveloped**

Sub-standard classification and experience is another problem in preparation for which valuable work is already being done. He said that it is likely that falling interest rates and other influences will increase the sale of life annuities. Mr. Evans believes that the practice under annuity contracts is undeveloped as compared with the service development of life insurance practice, that the sale of annuities should be put on as logical a basis as ordinary life. Another problem suggested by Mr. Evans is that of statutory valuation and the multitude of consequent questions, which he believes may press forward for immediate attention at any time. He said that it is advisable that the actuaries develop a consensus of group opinion on this subject and prepare themselves to submit considered solution.

He also said that the problem of agency compensation, which was the subject of the most important paper

**MESSAGES OF OPTIMISM**

**NORTHWEST IS COMING BACK**

Vice-President H. R. Cunningham of Montana Life Brought Glad Tidings to Agency Officers

H. R. Cunningham of the Montana Life brought an optimistic message to the members of the Association of Life Agency Officers in Chicago this week, in which he said that the great empire of the northwest is coming back to its own after a number of years of drought, crop failure, low prices, financial depression and many economic ills. He said that this revival will not be instant but it will be gradual. He said that the people no longer have to look upon the northwest with fear because of the radicals but the middle west territory, especially Wisconsin, is the section where the radicals seem to gather in largest numbers.

He said that the crops this year are much better. North Dakota, he declared, had 100 percent greater yield in wheat and 50 percent increase in price. The northwest he declared had battled with the elements and with economic conditions until it was almost prostrated. However, it has the element of life in it that cannot be killed.

**LEADS EQUITABLE OF IOWA**

Pittsburgh Agency Takes First Place—T. B. Williams of Philadelphia Has Highest Individual Production

The H. S. Stephen agency at Pittsburgh led all agencies of the Equitable Life of Iowa in October with \$315,000 paid-for. The M. H. Zacharias agency of Detroit was the second high agency having a paid-for production of \$280,500. Other leading agencies were: Rice & Tyson agency of Harrisburg, \$221,562; A. D. Wallis agency of Philadelphia, \$192,500; and the P. R. Wendt agency of Newark, N. J., \$180,000.

A paid-for production of \$118,000 gave T. B. Williams of Philadelphia first place among all agents of the Equitable Life of Iowa in October. This represents his paid-for record for the month. Mr. Williams also wrote a large volume of other business which was not included in the paid-for figures of his company for October. Between Oct. 1 and Oct. 31, he wrote and had examined 58 cases, totalling \$210,000 of insurance, an average of \$3,600 per case. Second place in personal production went to C. G. Loucks of the Detroit agency with \$100,000 of paid-for business.

**Pennsylvania Agencies Lead**

Pennsylvania agencies of the Equitable Life of Iowa, with a total paid-for production of \$852,562 during October, led all other state organizations of the company and increased the margin by which Pennsylvania is leading all other states for the year. Iowa agencies took second place during October with a paid-for business of \$806,075. Ohio took third with \$688,200 paid-for. The Pennsylvania agencies have written \$9,317,259 in paid-for business during the first ten months of the year. Iowa agencies are running a close second with \$8,816,950, Ohio standing third with \$7,174,261.

presented at the institute meeting, is one that is now in the foreground among company problems. Mr. Evans closed his address with the suggestion that the communion of talent and effort among actuaries, commonly known as cooperation, presents a vast but most pleasing prospect of usefulness to the life insurance business, and that this occasion of a joint meeting of the two American societies is a happy augury of increased effectiveness.

# MICHIGAN

## GRAND RAPIDS BATTLE CREEK JACKSON LANSING SAGINAW

For an ideal General Agency contract direct with the Home Office write the Agency Department.

## The Midland Mutual Life Insurance Company Columbus, Ohio

"*Its Performances Exceeds Its Promises*"

## Continental's Non-Cancellable Health and Accident Business Increased 25% in October!!!

### Why?

Because its new Non-Cancellable Disability Policy pays full monthly indemnity from the first day for hospital confinement.

For details see a Continental Representative, or

*Address*

**Continental Casualty Company  
CHICAGO**

## HOLD ANNUAL MEETING OF RESEARCH BUREAU

(CONTINUED FROM PAGE 3)

along the lines undertaken by the bureau, and as in the case of research in physical sciences, most of the efforts of the bureau will fail, be of no value, or be misunderstood. In the long run, however, they will result in benefit to the institution of life insurance.

M. Albert Linton, vice-president of the Provident Mutual Life, gave the gist of his paper on "Returns Under Agency Contracts," presented at the joint meeting of the American Institute of Actuaries and the Actuarial Society of America at French Lick Springs, Ind., last week. A summary of the paper is given elsewhere in this issue. Mr. Linton pointed out that while his paper was specifically a study of the operating cost of a general agency working on a moderate commission scale, the method used is applicable to any system.

### In Beginning of Study

This study is a pioneer work, as pointed out by Mr. Linton, and is valuable chiefly as provoking discussion. It fitted in with the study the bureau is making at present of agency costs, and it is hoped that if such studies arouse

more general interest, a great deal of good can be accomplished. The bureau has been making a survey of agency expenses, seeking information on 15 items altogether, nine of which are given rather fully even at present, although the study is not yet completed. The various items were: Clerical salaries, not including those of branch managers and assistants; rent, including light and heat; postage, stationery, printing and supplies; traveling expenses; insurance periodicals, reference books, etc.; advertising; telephone and telegraph charges; expenses of branch managers other than for personal writing; and total direct agency expense.

### Had Charts Prepared

Charts were presented by Mr. Niles showing the relative cost of the various items in agencies of different sizes. The figures were segregated according to general agency or branch office. The bureau hopes for a better study based on the split between old and new business. At present a survey is being made of the average rent in various cities per square foot. The results of the present study were based on questionnaires sent to 246 general agencies and 118 branch offices.

The bureau is planning to put out next a revision and enlargement of the

conservation report, which was the first report issued. This has proved extremely popular, and many requests are still being sent in, although the edition was exhausted long ago. Most of those present signified their interest in a survey of contests handled from the home office, and the attention of the bureau was promised for this undertaking.

### Have Wholehearted Cooperation

Although the bureau has been in existence only a short time, during the past year it has had the wholehearted cooperation of 77 competing companies, combining the experience of companies of all sizes, ages and locations. Applications of six more companies for membership were presented, including the Des Moines Life & Annuity, Lamar Life of Mississippi, Provident Life & Accident of Tennessee, Southland Life of Texas, Sovereign Life of Winnipeg, and Western States Life of California.

### Executive Committee Members

K. A. Luther of the Aetna was elected to succeed himself as a member of the executive committee; M. A. Linton of the Provident Mutual was elected to succeed W. T. Shepard of the Lincoln National, and O. J. Lacy of the Minnesota Mutual to succeed W. E. Taylor of the Equitable of New York.

Oliver Thurman of the Mutual Benefit Life, chairman of the executive committee, and Charles Hommeyer of the Union Central Life, vice-chairman, alternately presided at the meeting.

### Has Map Prepared

A new map of the United States about two by three feet has been prepared at the request of John W. Clegg, president of the National Association of Life Underwriters, to be kept in his office as an aid in visualizing the entire field with reference to making speaking engagements and solving other problems that come up. Each one of the 156 cities having a local association is outlined in red. Incidentally, all of the states (including the District of Columbia) are represented, with the exception of Vermont. Eighteen of the states (and the District of Columbia) have only one association apiece. The three leaders in numbers of associations are Ohio, fifteen; New York, eleven, and Pennsylvania, nine.

Eight of New York's associations—Buffalo, Rochester, Albany, Utica, Watertown, Binghamton, Elmira and Syracuse—will hold a combined one-day sales congress November 25 at Hotel Syracuse in Syracuse, which President Clegg is expected to address. Association matters will be discussed at a noon luncheon.

Next month Mr. Clegg will address two meetings in Hotel Astor, New York City—the New York Association, December 9, and the Association of Life Insurance Presidents, December 11 and 12.

### Had Big Month

Frank H. Sykes, second vice-president and manager of agencies of the Fidelity Mutual Life, has sent a letter of appreciation to the field force for the compliment paid him in making October the greatest month in the history of the company. The books closed at the end of the month with \$8,264,189 and there was a big overflow. In the first two days of November, 205 cases were received for \$801,855, all October business but too late to go into the October account.

The company is approaching its \$50,000,000 goal and hopes to put it over before the end of the year.

### Mentioned for Supreme Court

Persistent reports in political circles both in Washington and Philadelphia, state that Senator George Wharton Pepper, general counsel for the Penn Mutual Life and honorary member of the Philadelphia Association of Life Underwriters, will be named to the bench of the United States Supreme Court upon the retirement of Associate Justices Holmes and McKenna, whose advanced age is likely to result in retirement in the near future. Senator Pepper, who was a professor in insurance and corporation law for years at the University of Pennsylvania, modestly minimized the rumor when they were brought to his attention this week, and suggested another Pennsylvanian for the post that friends say will be offered to him.

### Makes Excellent Record

NEW YORK, Nov. 11.—Max Hancel, manager of the Lewis Reichert Agency of the Travelers in this city, made an excellent record for his company with this new life agency. The life department of the Reichert Agency was started only a year and a half ago under Mr. Hancel's direction. After a get-together dinner of the agency Mr. Hancel declared that the agency, with the proper effort, could write \$1,000,000 a month for October, November and December. This seemed like a big order but nevertheless Mr. Hancel and his agents have delivered the goods. \$1,000,000 was paid for in October and from indications the \$1,000,000 mark will be passed in both November and December.

## "Walking Past the Door"

**H**AVE you ever walked past a prospect's door—hesitating to go in—hardly knowing why? We all have.

The reason is probably lack of knowledge. If you thoroughly know yourself and your service, then the trouble probably is in knowing too little about the prospect himself.

Agents operating under the American Central Plan KNOW their prospects, his insurance needs, his capacity, etc. This is all on the **Surveyed Prospect Card**.

This is a part of the Plan. The pre-selection of prospects, the pre-approach, the canvass, control of the interview, close, the handling of notes, and a definite resale campaign are all parts of this Plan by which successful agents are professionalizing their insurance work and their insurance service.

Any agent who feels that he might be interested in more details concerning the Plan may readily secure them by writing today to



Perhaps the most comprehensive field development program in existence today.

One phase is described in this advertisement. Details of the Plan may be secured upon request by any agent interested in learning more about it.

# AMERICAN CENTRAL LIFE

INSURANCE CO.

INDIANAPOLIS

ESTABLISHED 1899

HERBERT M. WOOLLEN, President

NUMBER FOUR IN A SERIES OF INFORMATION ADVERTISEMENTS

**C. M. BISCAY'S CHANGE****JOINED WESTERN & SOUTHERN**

**Business Manager of "Insurance Press"**  
Goes to Home Office Staff of  
Cincinnati Company

Charles M. Biscay, business manager of the "Insurance Press" of New York and well known and successful insurance newspaper man, has resigned to join the home office staff of the Western & Southern Life of Cincinnati. Mr. Biscay has already arrived in Cincinnati and took up his new duties last week. He has been with the "Insurance Press" for 17½ years and has traveled the country in the interest of the Webster publications. He entered the insurance business some 30 years ago when 18 years old as an agent of the Broadway-Brooklyn branch of the New York Life in New York City. He went with the Metropolitan Life in 1895 and



CHARLES M. BISCAY

remained with that company 12 years, for a time acting as superintendent at Saginaw, Mich. From that position he went to the "Insurance Press," and has long done splendid work in the publishing field.

Mr. Biscay has long been highly regarded by the officials of the Western & Southern. When he decided he did not wish longer to travel, they were very glad of the opportunity to secure his services. His new duties have not been fully defined, but he will give special attention to the ordinary development and also to the reduction of turnover in agents.

**Get Some Baseball Stars**

Glenn Wright, short stop of the Pittsburgh baseball team, and Jimmie Zimm, pitcher of the Kansas City team, have become connected with the Kansas City office of the Missouri State Life. Both are starting to produce business. Leo Murphy, who formerly caught for the Toledo club, is a member of this agency organization.

**Hill Elected Secretary**

Clarence J. Hill has been elected secretary of the Southern States Life to succeed the late Robert F. Moore. Mr. Hill has been with the company since its organization in 1906 and has been assistant secretary since last year. He is a young man, only 35 years old. He began his business career as an office boy for the firm of Wilmer L. Moore & Co., wholesale dry goods merchants. Wilmer L. Moore is also president of the Southern States Life.

**CHANGE IN PERSONNEL****CALL SYKES TO HOME OFFICE**

**Mutual Benefit Life Appoints Former General Agent to Agency Department at Headquarters**

Charles L. Sykes of Dyer & Sykes, general agents of the Mutual Benefit Life, has been called to the home office of the Mutual Benefit Life in its agency department. J. N. Dyer will succeed to the general agency. Mr. Sykes attended the meeting of the Life Agency Officers Association in Chicago this week and conferred with Oliver Thurman, superintendent of agents there. Before going to Oklahoma, Mr. Sykes was an agent of the company at Omaha, and was the leading producer in the state. He is vice-president of the Oklahoma Life Underwriters Association and has done considerable civic work in Oklahoma City.

**Term Conversion Campaign**

The Connecticut General converted to permanent insurance \$1,250,000 of term insurance during a recent campaign of one month's duration. This was the largest amount ever converted in one month by the company, being about \$500,000 more than the company's monthly average.

Nearly half the term insurance converted to permanent forms during the campaign had been in force three years or less. The company has found that when no special effort is made along this line, policyholders generally wait till the end of the seventh year, when the conversion period is about to expire, before changing over their insurance.

**Robert L. Wagner**

The Penn Mutual Life announces the opening of new territory with the appointment of Robert L. Wagner as general agent at Charlotte, N. C. Mr. Wagner was a successful agent for the Prudential in Oklahoma, but his home state is North Carolina.

**Entertains Sales Executives**

The Phoenix Mutual Life acted as host during the past week to sales managers and sales executives of various concerns of prominence and success around the country such as the National Cash Register Company, Hoover Automatic, Fuller Brush Company, and others. The evening of Nov. 7, 18 of the executives had dinner at the home of Winslow Russell, vice president, where Clarence T. Hubbard of the Aetna Life used sleight-of-hand to demonstrate sales problems. The sharing and interchanging of ideas between insurance and other enterprise marks good activity and progress.

**Northern Life Official Dies**

Ursinus K. Loose, field supervisor for the Northern Life of Seattle, died in that city Nov. 1 from heart failure at the age of 65. Mr. Loose went to Washington in 1890, first located in Snohomish, where he was cashier of the Snohomish National Bank. Later he went to Seattle and for a number of years was an officer in two lumber companies before associating with the Northern Life.

**Officers on Western Trip**

K. A. Luther, agency secretary of the Aetna Life, and Friend L. Wells, assistant superintendent of agencies, are making a tour of inspection through the middle west agencies which will not bring them back to the home office until the middle of November. During the trip they were in Chicago to attend the eighth annual convention of the Association of Life Agency Officers and also the convention of the Life Insurance Sales Research Bureau.



Organized 1907

**Over \$20,000,000.00 in Force****18th Year Successful Progress**

Direct contract with Home Office for local representatives in unoccupied rural communities. Special attention given to assisting new agents without experience. Our direct Branch Office system for agency building helps Western Life local agents succeed. Now operating in Iowa, South Dakota, Minnesota, Nebraska and Kansas.



Over a million and a half paid to policyholders in this territory.

Eleven million people within two hundred and fifty miles of our Home Office—plenty of opportunity for a good man.

We still have a few good openings.

Direct General Agency Contract—liberal commissions—but we are "hard-boiled" on advances.

## COLUMBIA LIFE INSURANCE COMPANY

Cincinnati, Ohio

S. M. CROSS, President

## Over 1½ Million Policies Now In Force



Only four other life insurance companies in America have more policy contracts in force than this company. The following figures show its remarkable growth in the last ten years:

	Jan. 1, 1914	Jan. 1, 1924
Assets .....	\$ 7,804,230	\$ 40,113,271
Policies in Force.....	503,302	1,552,803
Insurance in Force.....	73,455,636	351,149,583

Attractive opportunities open to competent agents in Ohio, Indiana, Kentucky, West Virginia, Pennsylvania, Michigan, Illinois, Missouri.

## The Western and Southern Life Insurance Co.

W. J. WILLIAMS, President

CINCINNATI, OHIO

## A Company with Friends Everywhere

The agent who is selling insurance in this Company, which for seventy-three years has been rendering unexcelled service, does not work alone. Wherever he may be, he finds enthusiastic friends ready to help him by testifying that there is no better company in the land than the old Massachusetts Mutual. Its enviable record for service and the low net cost of the protection furnished make a combination that assures success to any real worker in the field.

JOSEPH C. BEHAN, Superintendent of Agencies

## MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

OF SPRINGFIELD, MASSACHUSETTS  
INCORPORATED IN 1851

## THE NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

Published every Friday by THE NATIONAL UNDERWRITER COMPANY, Chicago, Cincinnati and New York. EDWARD J. WOHLGEMUTH, President; JOHN F. WOHLGEMUTH, Secretary; H. E. WRIGHT and NORA VINCENT PAUL, Vice-Presidents; WILLIAM A. SCANLON, Southwestern Manager; FRANK W. BLAND, GEORGE C. ROEDING and O. E. SCHWARTZ, Associate Managers.

C. M. CARTWRIGHT, Managing Editor  
HOWARD J. BURRIDGE, Associate Editor  
FRANK A. POST, Associate Editor  
R. C. BUDLONG, Associate Editor  
CHESTER C. NASH, Jr., Associate Editor

PUBLICATION OFFICE, Insurance Exchange, CHICAGO. Telephone Wabash 2704  
CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5192, RALPH E. RICHMOND, Manager  
E. R. SMITH, Statistician, ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE, 80 Maiden Lane, New York; Telephone John 1032  
GEORGE A. WATSON, Eastern Vice-President  
NORTHWESTERN OFFICE: 307 Iowa National Bank Bldg., Des Moines, Ia.; Tel. Market 3957  
J. M. DEMPSEY, Manager

Subscription Price, \$3.00 a year; in Canada, \$4.00 a year. Single Copies 15 cents  
In combination with National Underwriter (Fire and Casualty) \$5.50 a year; Canada \$7.50

### Now Let's Get to Work

THERE never was a more golden opportunity for American business of all kinds than at present. The situation is particularly gratifying. Regardless of our political affiliations, insurance men as a whole rejoice in the splendid business outlook. The recent presidential election revealed the fact that those who are worshiping strange gods politically in this country, are not as strong in numbers as had been anticipated.

Business has taken a stride forward since election day. The stock market has responded favorably to the optimistic sentiment. The wheels of industry are turn-

ing more rapidly. Conditions on the other side of the water have improved. The reparations settlement will bring more stability to finance over there. There will be a larger buying power on part of foreign countries. In our own land the situation with regard to the farmers is considerably improved. The farmers themselves will now be in a position to enter the ranks of buyers on a larger scale.

As we see it, the big thing for the individual to do is to put in his best licks, to go to work, to have faith in his country and mankind, and to make hay while the sun shines.

### Field for Charitable Bequests

FOLLOWING the visit of E. PAUL HUTTINGER of the home office legal department of the PENN MUTUAL LIFE, to a number of cities in which he talked on charitable bequests, several agents have been working up prospects in this line. Mr. HUTTINGER sees in this domain a vast field for life insurance solicitation. It opens up great possibilities in his estimation. It is a territory that is practically untouched. Mr. HUTTINGER says that frequently people might desire to leave a thousand dollars to a church, or to some other institution. It would be impossible to leave this in a lump sum out of a small estate. It can be done through the medium of life insurance. Institutions of all kinds are seeking to raise money. They desire contributions large and small. There are comparatively few persons who have the means to give a sum worth while at one time. If however, they can contribute on the installment plan by paying life insurance premiums annually, they will be glad to do this. Mr. HUTTINGER said that it is not the province of the life agent to

stir up these contributors and philanthropic people primarily, but the officers and directors of the various institutions should be convinced of the value of this means of securing money. They can do the suggesting themselves. Churches, hospitals, educational institutions, charitable enterprises of various kinds, public libraries and a dozen other enterprises that depend more or less on public contributions could well become the beneficiaries of life insurance.

Mr. HUTTINGER believes that despite the materialistic age and the selfish instinct, there is a great area, as he puts it, of idealism. People in his opinion want to do something worth while and want to contribute something to permanent good. These ideals can be made practical through the medium of life insurance. These dreams can come true.

Agents who have followed Mr. HUTTINGER's advice, are surprised at the results they are able to get. Every agent is acquainted with a number of institutions that would be glad to be benefited in this way. It opens the way for modest contributions, as well as large ones.

### On Furnishing Recommendations

WOULD it not be observing a higher standard of ethics were men to refuse to recommend any one concerning whom there is much doubt or there is known deficiency? Almost any man apparently can secure a recommendation from those of repute. Seemingly, they sink their conscience in the effort to get a friend lodged in some position. A man seeking information as to another wants only the

truth. If he knows the facts he can act intelligently and perhaps employ the man and guide him in the right way. If however, he takes a man in his employ whom he feels measures up to a standard and finds he has been deceived by those who have recommended him, the employee not only loses his position but has descended several steps in the down hill path.

### Definition Is Worth While

At a Chicago convention the other day, a speaker defined a pessimist as one who saw failure in every opportunity and an optimist who saw opportunity in every failure. There is plenty of homely philosophy in this epigram. Some times in compact, tabloid form, a writer or

speaker compresses wisdom that is appealing. There have been many other definitions of a pessimist and optimist. We doubt if any has ever been given that hits the mark any more closely than this. It carries a lesson that is well worth while.

## PERSONAL GLIMPSES OF LIFE UNDERWRITERS

On Nov. 1 the **Marmaduke Corbyn** general agency of the Central States Life of St. Louis, at Oklahoma City, celebrated its ninth anniversary with appropriate exercises. During the nine years the agency has built up \$9,000,000 of insurance for the Central States in Oklahoma. Mr. Corbyn has designated November as Anniversary Month and has set a goal of \$450,000 in paid-for. He also plans to build up the agency by recruiting additional workers and has offered prizes for new men who produce at least three applications their first 30 days on the job. He has also launched an "App-a-Week Club." He knows of three salesmen who have produced some business for 240 weeks, and each of those men has made more money during that time than during any similar period in his life insurance career.

**Thomas Payne Thompson**, associate general agent of the Equitable Life of New York, at New Orleans, died there last week. He had been ill for nearly a year, but had been confined to his bed for two weeks. He was 64. He entered the employ of the Equitable, as an agent in 1891, and was made associate general agent eight or ten years ago. He was one of the largest producers of life insurance in the United States.

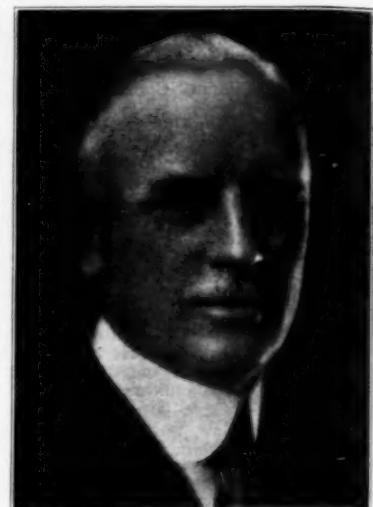
He was intensely devoted to civic welfare and was a student all his life. He was especially interested in Louisiana matters, and got together what is admitted to be the largest collection of original documents and books in the United States on the origin and subsequent development of the state. His collection contains more than 10,000 items. He did not stop with the mere collecting—he studied the documents, and contributed many articles to magazines and newspapers, clearing up foggy points in history. He was a past president of the Life Underwriters Association of Louisiana.

**Charles S. Albert**, special representative of the Connecticut Mutual Life at Springfield, Mass., during October wrote \$253,400 on 120 persons, establishing a record for the company. Mr. Albert accomplished this with no special preparation from the standpoint of publicity or advertising, and had no one assisting him in his work. While far from establishing a new record in the number of applications secured during his month, this accomplishment is worthy of note.

**W. W. Williamson**, Chicago, manager of the Phoenix Mutual Life, who has just been elected president of the Chicago Life Underwriters Association, was born at Fidelity, Ill., in 1867. His first business experience was as stenographer in the Charles E. Hires Company, well known root beer manufacturer. He held positions in practically every department, finally becoming treasurer and general manager. He realized then that there was no further room for growth and no incentive to development if he stayed with that company, and he decided to get into some line of work on a commission basis so that his income would depend upon his own efforts. At that time he had no thought of entering life insurance, as he had a very light regard for insurance agents. Instead he became a bond salesman, a line which he followed for four years.

During the war, however, the bond business came almost to a standstill and Mr. Williamson looked for some other line of work. At this time he was offered a position with the Phoenix Mutual Life, and at about the same time a very attractive offer came from a large advertising agency, a line of work in which he was very deeply interested.

He weighed both of these offerings very carefully, taking a week's vacation at Atlantic City for the purpose of giving them thorough considera-



W. W. WILLIAMSON  
New President Chicago Life Underwriters Association

tion. At the end of that week, he had come to the conclusion that life insurance was the only field for him. Consequently he started in 1916 as an agent for the Phoenix Mutual Life.

His first experience was very discouraging, as he sold only one policy in the entire summer. He stuck to his resolution, however, and soon began to succeed, in a short time reaching the \$500,000 a year mark, which he has consistently held ever since. In September, 1919, he was appointed Chicago branch office manager, but even with the duties involved in this position, has continued to produce at least \$500,000 a year paid for business. So far this year he has produced more than \$800,000, besides giving a great deal of attention to the development of his agency, which consists at present of about 20 men. Mr. Williamson is president of the Phoenix Mutual Field Men's Association, an organization of the company's agents.

**Ralph Holterhoff**, general agent of the State Mutual of Massachusetts, and **Laurence Witten**, general agent for the Massachusetts Mutual in Cincinnati, were prominent members of the local committee in Cincinnati which had charge of the city manager charter campaign concluded successfully last week. Cincinnati has voted to adopt the city manager plan of city government by a vote of 2 to 1. Both Mr. Witten and Mr. Holterhoff were mentioned by the local press as leaders in the fight for adoption of the new charter.

**Gen. S. Herbert Wolfe**, vice-commander of the Military Order of the World War, and better known to underwriters as a prominent consulting actuary at New York City, participated in the unveiling of a bronze tablet aboard the White Star liner Baltic, in New York City harbor Nov. 6. The tablet commemorates the departure of General Pershing and the first detachment of the American Expeditionary Force overseas on the Baltic in May, 1917. Commissioned as a major early in the world war S. H. Wolfe was successively promoted to a colonelcy and to a brigadier generalship in appreciation of his important services.

**James A. Rodman**, vice-president of the Northwestern Life of Omaha, was elected a member of the lower house in Nebraska, and will be one of the active candidates for speaker. Only half a dozen old men on the Republican side were re-elected, and this narrows the list of candidates for presiding officer. Mr. Rodman was twice a member from Kim-

ball county, before removing to Omaha, and also represented the district in the constitutional convention in 1920. He is popular and aggressive.

**Frederick M. Dickerman**, associate manager of the Guardian Life at Indianapolis, was elected to the Indiana legislature as a senator last Tuesday.

**John R. Norris**, who was formerly in the life insurance business in Chicago and was well known in that city, is in a hospital at San Francisco, and is said to be very seriously ill.

In the November issue of the "World's Work" appears an article entitled "The Widow's Money." It is the result of an interview with Second Vice-President **John A. Stevenson** of the Equitable Life of New York. It has a direct bearing on the value of life income insurance.

President **C. W. Brandon** of the Columbus Mutual Life was in Chicago this week. On Tuesday and Wednesday he attended the meeting of the Association of Life Agency Officers. On Monday he entertained the agency force of E. E. Besser, one of the Chicago general agents.

President **Daniel Boone, Jr.**, of the Midland Life of Kansas City, who was stricken with serious illness while attending the meeting of the American Life Convention at New Orleans, is now back at his desk. He was laid up for three weeks. Mr. Boone up to that time had never lost a day on account of illness.

**J. W. Estes**, co-manager of the Aetna Life at St. Louis, has been elected to the board of directors of the newly organized Surety Loan & Thrift Company of St. Louis, which opens for business Nov. 15. The company, headed by prominent St. Louis business men, is a subsidiary of the People's Finance & Thrift Company, a national organization founded by Albert B. Whimsett to provide a way for persons of small means to borrow small amounts of money at reasonable interest rates. The plan saves many working men and women from the clutches of loan sharks.

**Percy C. H. Papps**, mathematician of the Mutual Benefit Life, was in Chicago this week and addressed the agents connected with General Agent A. A. Drew's office Monday morning.

**John D. Sage**, president of the Union Central Life, has been elected a director of the Cincinnati Business Men's Club for three years. Eugene Buss, Cincinnati manager of the Travelers, was one of the judges of the election.

#### Bankers Life Figures

The Bankers Life of Iowa up to Oct. 27 had written \$11,752,791 of new business for the month as compared with \$10,446,695 for the entire month last year. Based on records made so far this year, the 1924 business will run close to \$122,000,000, or approximately \$11,000,000 more than 1923. This will be the seventh consecutive year the company's business has shown an increase. The Bankers' Life now has \$750,000,000 of insurance in force.

#### Des Moines L. & A. Increase

The Des Moines Life & Annuity, which recently absorbed the Preferred Risk Life, reports an increase in the first ten months of the year of 30 percent over a year ago. The financial statement of the company issued in June showed \$18,148,000 in insurance in force; total assets of \$1,884,732.16, and liabilities, \$1,134,363.83.

Territory of the company now includes Iowa, South Dakota, Minnesota, Missouri and Nebraska, with branch offices located at Sioux City, Waterloo, Sioux Falls, Lincoln and Omaha. A new office is to be opened in St. Louis in the near future.

# Joyous Prospects



Happy indeed is the life outlook for this laughing daughter of Dr. J. W. Avery of Fresno, California.

Her education is assured and she will have a dowry, whether her father lives or not, through the means of her new Juvenile Policy in The Lincoln National Life Insurance Company.

This policy is written on the lives of children ages 1 day up to 14 years and reaches full face value on the anniversary of the policy on which the insurance age of the child is 5 years.

The Juvenile Policy is issued on 20 Pay Life, 20 Year Endowment or Terminal Endowments maturing at ages 16 to 21 inclusive. Waiver of further premiums in event of the death or disability of the father may be provided by the Payor Insurance feature.

Results being obtained by Lincoln National Life agents in the sale of this new Juvenile Policy offer another reason why it pays to

LINK UP WITH THE LINCOLN

# The Lincoln National Life Insurance Company

"Its Name Indicates Its Character"

Lincoln Life Building

Fort Wayne, Ind.

Now More Than \$325,000,000 In Force

## LIFE AGENCY CHANGES

### FLORIDA APPOINTMENTS MADE

**Volunteer State Life Names Fred W. Vanderpool at Miami and J. E. Daniels at Pensacola**

The Volunteer State Life has appointed Fred W. Vanderpool general agent at Miami, Fla., with supervision over several adjacent counties along the eastern shore of the state. Mr. Vanderpool has one of the largest general insurance agencies in the state, and has had many years of training in all

branches of insurance. He recently erected an office building in the heart of the business district of Miami, his agency occupying the first and second floors. Mr. Vanderpool has secured the services of A. T. Breckinridge to manage the life department of his agency. Mr. Breckinridge was a lieutenant in the machine gun battalion of the 35th division, and was wounded in the Argonne during the war. After returning to this country, he was associated for a time with the Arnette agency of the Fidelity Mutual in Chicago, and during that time was graduated from the life insurance

school of salesmanship of the Carnegie School of Technology, Pittsburgh. He came to the Vanderpool agency following successful service with the Fidelity Mutual Life in the Washington, D. C., agency. C. Stanley Snyder, for some years associated with the home office agency, has removed to Miami, and will henceforward be associated with the Vanderpool Agency.

The Volunteer State Life has also appointed J. E. Daniels general agent for the extreme western portion of Florida with headquarters at Pensacola. Mr. Daniels has been general agent for the Fidelity & Casualty at Pensacola for many years, and has built up a large business. He has an able associate in C. B. Golay, who has had some experience in life insurance, and who will henceforth devote the major portion of

his time to the life department of the Daniels agency.

### ARE NORTHWEST MANAGERS

**Hughes & Scott of Minneapolis Given Supervision of Three States for Lincoln National Life**

Hughes & Scott, managers of northwestern agencies, is the title given by the Lincoln National Life to the new general agency formed by Thomas D. Hughes, formerly a vice-president of the company, and Wright W. Scott, formerly assistant secretary and manager of the loan department. Hughes & Scott, with their offices located at 200 Lincoln Bank building, Minneapolis, have charge of the states of Minnesota, North Dakota and Wisconsin. Their contract is effective Nov. 1, and they have already begun their work of organizing the territory.

T. D. Hughes has been a life insurance man for the past 25 years, having started with the Equitable Life of New York and later becoming vice-president and agency manager of the Pioneer Life of North Dakota. When that company was merged with the Lincoln National Life in 1917 he was made vice-president and manager of northwestern agencies, with the direct supervision of North and South Dakota, Wisconsin, Minnesota and Montana.

W. W. Scott has been in life insurance work for the past 10 years. In 1915 he left a position as bank cashier to become assistant treasurer of the Pioneer Life. He was assistant secretary and manager of the loan department and a director of the Lincoln National Life.

### BOYCE IS MADE SUPERVISOR

**Equitable Life of New York Announces New Lineup for Minnesota and North Dakota.**

William L. Boyce, district manager of the Equitable Life of New York, with headquarters at Fargo, N. D., has been appointed supervisor of agents in the territory including South Dakota and Minnesota. His headquarters will be in St. Paul.

Mr. Boyce, formerly of Kenmare, was graduated from the University of North Dakota in 1917. He is an ex-service man, prominent in American Legion circles. Officials declare that the promotion is in recognition of Mr. Boyce's efforts in Fargo during the past five years during which he built up the local organization from a mere beginning to an influential business.

The territory over which Mr. Boyce has had supervision will be divided and two managers will handle the work. H. J. Gilbertson, who has acted as Mr. Boyce's assistant, will have charge of the southern half of North Dakota. He will be assisted by C. P. Trisko as field assistant. Arthur Mallory, with a field assistant not yet appointed, will have the northern half. After the first of the year headquarters for the northern half of the state will be maintained at Grand Forks with Mr. Mallory in charge. Headquarters for the southern half will continue at Fargo.

A farewell luncheon for Mr. Boyce was given by Fargo insurance men and numerous parties were given for Mr. and Mrs. Boyce.

### Plan for Chicago Agency

The Minnesota Mutual has formed a strong combination of the old Boyle & Boyle Agency at Chicago and Joseph R. Weese, formerly general agent for the company at Lewistown, Mont. The Boyle & Boyle Agency has long been the company's largest agency in Chicago, and John Boyle, the senior partner, the company's largest personal producer at that point. Under the new arrangement, Boyle & Boyle and Joseph R. Weese will office together at 405 Austin Building, 111 W. Jackson boule-

## Not a Commodity, But a Service

AN ambitious broadcaster lately held forth in New York on the subject of church advertising. He seemed to consider religion as a commodity which the churches had to "sell," and to think that success was a mere matter of salesmanship.

Life insurance has latterly fallen into the same grotesque error. Companies and agents are more and more talking about the "sales organization," "salesmanship," and "selling" life insurance. People sometimes get infatuated with a word, and "salesmanship" is just now a favorite word.

The Gospel is not a commodity, and the church has nothing to sell. Life insurance is not a commodity, and the agent has nothing to sell.

The Gospel of the churches and the Gospel of life insurance teach right ways of living, teach duty, and duty is a very broad word, meaning in both the church and in life insurance pretty much the whole duty of man.

The church strives to render service. So does life insurance. Certainly the life insurance agent does not "sell" a commodity. He persuades men to enter into contracts with their fellow-men, through a responsible corporation, in order to protect their families in case of their own premature death, and in addition to protect society, to teach good citizenship, and to save money or themselves if they live long.

Persuading a man to provide for his family and his own old age, or to open a savings-bank account, is not "selling" him anything. It is doing him a service. If he accepts your service he at once becomes a better husband and father, a better citizen, and a happier man.

A mutual life insurance company is truly a public service corporation. Its business is to preserve and conserve through that co-operation which lies at the very heart of a free society and an orderly government. Life Insurance struggles against the world's general disposition to waste—to waste property, to waste life; it saves for the community quite as much as it does for the individual.

When an agent for the New York Life attempts to "sell" you a policy tell him he doesn't know his own business, that he is missing the fine flavor of his own profession. We have nothing to "sell" you. We have a great service to render; and any agent of the Company will be very glad to talk with you about that service.

**NEW YORK LIFE INSURANCE COMPANY**  
DARWIN P. KINGSLEY, President

ward. During October John Boyle submitted well over \$50,000 of personal examined business, which is not an unusual performance for him. The move in Chicago follows the return of Harper Moulton, one of the general agents of the Minnesota Mutual at Chicago, to his old company, the Provident Mutual.

#### United States Life Appointments

The following appointments have been announced by E. W. Christy, supervisor of agencies of the United States Life: Arthur Waiting, Chicago; R. E. Hudson, Troy, Mo.; Dean W. Smith, Cleveland, O.; Robert Elsemere, Gary, Ind.; Irving Freeman, Chicago; Sidney Russell, Cleveland, O.; Wm. C. Waltz, Akron, O.; Frederick Richard, Cincinnati, O.

#### Gooch & Asher

Gooch & Asher, a partnership composed of C. L. Gooch and Robert D. Asher, are the new appointed general agents for the Minnesota Mutual Life at Pineville, Ky. They have just completed their first full month with the company, submitting a nice volume of business.

#### John Keena

John Keena, for some time a successful personal producer in the Cincinnati general agency of the Phoenix Mutual Life has taken a general agency of his own and has been appointed general agent at Cincinnati for the Northwestern National Life of Minneapolis, which is now entering that field.

#### Edwin R. Fisk

Edwin R. Fisk has been named by the Security Mutual Life of Binghamton, N. Y., as agency manager for Nebraska and has taken charge of its office at Omaha. Mr. Fisk has been for the past year agency manager at Lincoln for the New York Life. Before going to Lin-

coln he had won his spurs as an organizer and executive, and in the 12 months he served the New York Life he succeeded in building up an agency of

15 men, most of them full-time solicitors, in addition to securing men to represent the company in other South Platte territory.

## EASTERN STATES ACTIVITIES

#### CELEBRATE CONNECTICUT DAY

##### All Insurance Interests Gathered at Hartford for Big Program on That Business

HARTFORD, CONN., Nov. 12.—Hartford is the mecca for Connecticut folk today in the celebration of "Connecticut Insurance Day." Representatives are from all parts of the state, as well as guests from outside the state. The all-day program, covering all phases of insurance and many speakers of national prominence, was as follows:

10 to 12:30 a. m.—Group Meetings. Annual meeting of the Connecticut Association of Insurance Agents. Principal speaker to be T. C. Moffatt, President National Association of Insurance Agents.

Special meeting of the Connecticut Life Underwriters Association.

12:45 to 2:30 p. m.—Complimentary luncheon. Short addresses by visiting insurance commissioners and other guests.

2:45 p. m.—Joint session.

"Connecticut's Insurance Department," Howard P. Dunham, insurance commissioner of Connecticut.

Responses for: Connecticut Life Underwriters Association, President Edward S. Doten. Connecticut Field Club, President Henry C. Saydel.

Connecticut Association of Insurance Agents, President Donald G. North. "Connecticut's Contribution to the Casualty Insurance Business," Louis F. Butler, president, Travelers.

"Connecticut's Contribution to the Fire Insurance Business," Richard M. Bissell, president, Hartford.

"Connecticut's Contribution to the Life Insurance Business," Morgan B. Brainard, president, Aetna Life.

"Insurance and the Public," George B. Chandler, secretary, Connecticut Chamber of Commerce.

6:30 p. m.—Banquet. James L. Case, toastmaster.

Speakers—Norman G. Stevens, mayor of Hartford; Ernest Palmer, manager of the Chicago Board of Underwriters; Harry F. Atwood, president Constitution Anniversary Association of Chicago.

The general chairman of the convention committee was James L. Case, former president of the National Association of Insurance Agents, and Donald G. North was secretary. The various interests were represented on the committee as follows: Casualty companies, Robert J. Sullivan, Charles H. Remington and Norman Moray; Fire companies, Ralph B. Ives, George C. Long and Col. Frank D. Layton; Life companies, Winslow Russell and John M. Laird; Life Underwriters Association, Lee C. Robens, Clayton W. Welles and C. Gilbert Shepard; Connecticut Association of Insurance Agents, Charles E. Puffer, James L. Case and Donald G. North; Connecticut Field Club, Waldemar M. Howe, Henry C. Seydel and Charles J. Bauerle.

#### Takes Post Dec. 1

It is announced that J. E. Flanigan, actuary of the Bankers Life of Iowa, will take up his duties as agency manager for the New York district Dec. 1, instead of Feb. 1, 1925, as originally planned. Mr. Flanigan has been with

the Bankers Life for the past seven years.

#### Contest Was Successful

The Midland Mutual Life of Columbus, O., has been holding a contest between two parties of its agents, the Democrats and the Repocats. This contest was conducted at the same time as the political campaign and ended Nov. 4. It lasted in all 60 days, and during that time \$1,250,000 more than during the same period of last year was written, a 30 percent increase over last year's production. The agents entered into the contest heartily, and close competition was evidenced throughout.

#### Ohio Medical Men to Detroit

The Ohio Life Insurance Medical Directors Association will meet at the Statler Hotel in Detroit Nov. 18. Many of the Ohio companies are now operating in Michigan and it was decided this would be an excellent opportunity for the medical directors to get in touch with the Michigan representatives. Medical directors of the Detroit life companies will be guests of honor of the association.

#### Maryland Qualification Rules

The Maryland insurance department has announced that under the new qualification law which goes into effect first of the year an agent is only required to qualify for one life company, one fire company and one miscellaneous company. Having qualified for each of these classes of companies, it will be necessary only to give his qualification number to any other companies that desire to appoint him as agent. The qualification certificate is in no sense a license. It is merely a token or diploma that he is entitled to receive a license.

It will not be necessary for an agent, in order to secure licenses after Jan. 1, to sign applications, as has been the case, for each company he desires to represent. His qualification certificate obviates the necessity of his signing up for each company.

**We Make Our Investments Where We Get Our Money**

**Keep Your Money At Home**

A connection with the Farmers and Bankers Life means bringing a new business into your town.

Premium payments are deposited with your Banker and Investments made in your Territory.

That means a better standing and easier sales in your Community.

**The Farmers and Bankers Life Insurance Company**

H. K. Lindsley  
PRESIDENT

Frank B. Jacobshagen  
SECRETARY

J. G. Cutler  
FIELD SUPERVISOR

Wichita, Kansas

EDW. G. SOURBIER  
President

*Age of this  
Institution—  
15 Years!*



CHAS. W. FOLZ  
Secretary

*Life Insurance  
in force  
more than  
\$89,000,000*

**PUBLIC SAVINGS INSURANCE CO.**  
Public Savings Building : : : Indianapolis, Indiana  
PROTECTION FROM AGE 1 DAY TO 65 YEARS

## A. MOORMAN & COMPANY ARCHITECTS ENGINEERS BUILDERS Financial and Insurance Buildings

*A Nation-wide Service*

### Under Our Service:

One organization is responsible for the entire operation.

The cost is determined before the final working plans are made.

The construction period is usually about one-half the average time required.

Finer workmanship is possible because of our specialization upon monumental types of buildings.

Sixth Floor, Chamber of Commerce Bldg.  
Saint Paul, Minnesota

*A pamphlet explaining the scope of our service sent upon request.*

## THE MUTUAL LIFE

The Mutual Life Insurance Company of New York has a record of EIGHTY YEARS of prosperous and successful business. It has passed through panics, pestilence and wars unharmed, and to-day, as a result of eight decades of endeavor, offers financial strength, reputation, magnitude, leadership, and life insurance service.

*Those considering life insurance as a profession are invited to apply to*

**The Mutual Life Insurance Company  
of New York**

34 Nassau Street, New York

## CAN YOU QUALIFY

For a General Agency proposition in Missouri, Minnesota or South Dakota, with a Company which gives real service to its Agency force, and under direct Home Office connection.

### Des Moines Life and Annuity Co.

*"The Company of Co-operation"*

DES MOINES - - - - IOWA

Get enough accident and health insurance? Want to sell more? A tip—read *The Casualty Review*, an illustrated monthly magazine for accident and insurance salesmen. Full o' pep! Full o' ideas! Send ten cents for sample copy or \$3.00 for a year's subscription to *The Casualty Review*, 1588 Insurance Exchange, Chicago.

## IN THE MISSISSIPPI VALLEY

### SEEK NEW WISCONSIN CODE

### MISSOURI ELECTION PLEASES

Commissioner Smith Confers With Insurance Organizations on Codification of Laws

Insurance Men of That State Feel They Will Get Fair Treatment From New Governor

MADISON, WIS., Nov. 11.—Codification of the insurance laws of Wisconsin will be one of the big bills to come before the coming session of the legislature for consideration. Commissioner W. Stanley Smith went to Milwaukee Thursday to confer with the insurance organizations over methods for facilitating the codification work. He has already taken the matter up with the officers of the Milwaukee Board, the state association of insurance agents and the Insurance Federation.

Commissioner Smith declares that a codification of the laws is necessary because of many conflicting enactments. The plan proposed is to bring all laws relating to each subject of insurance into one section. This is probably the greatest piece of consolidation work which has been proposed since the city charter laws were revised four years ago.

#### Tentative Plans Prepared

Tentative plans for working out the codification bills have already been prepared. It is proposed to create a code committee to represent each branch of the insurance business. There will be representatives for stock fire, mutual fire, stock casualty, mutual casualty, legal reserve life, fraternal, casualty and surety and each branch will have an agency and a company representative. The committee to work out the plan would probably be composed of 14 members. Sub-committees would be formed to work out the consolidation and codification for each of the different branches of insurance business. When this work was in progress in Michigan seven years ago, each representative on the general committee had a sub-committee of which he was chairman, comprised of representatives of his line of insurance. Under this method, every angle of the insurance situation was brought to action on obligation measures.

The codification will comprise a revision of all insurance laws touching on taxation, licenses, and reciprocal or retaliatory laws.

#### May Follow Michigan Code

The Michigan code, which may be used for the Wisconsin codification, has been proposed for the district of Columbia and a bill embodying these insurance laws was introduced at the last session of Congress. The plan is to start the work at once so that the bills may be ready for introduction when the legislature meets here in January. The codification of the laws does not propose to include the enactment of any new insurance legislation. The plan is to bring together in one concise form all of the insurance laws now on the statute books and to clarify those sections that are ambiguous.

For several years the state has been attempting a codification of all laws relating to each specific branch of state activities. Many of the codification bills are worked out under the direction and supervision of the revisor of the statutes.

#### Missouri Guard's Group Plan

Adjutant General Raupp of the Missouri National Guard has just made an announcement of a plan to insure members of the Missouri guard under a group life insurance plan. The insurance will be carried by the Missouri State Life, Travelers and the Aetna Life. The total coverage will run to several million dollars.

Duane C. Stocking, for 20 years a representative of the New York Life at Rockford, Ill., dropped dead there last week.

ST. LOUIS, MO., Nov. 11.—Samuel A. Baker, Republican, was elected governor of Missouri over Dr. Arthur W. Nelson, Democrat, of Bunceton, Mo., by a plurality of 9339 on the complete and unofficial returns from the state.

Mr. Baker was formerly state superintendent of education, and has long been regarded as one of the outstanding figures in Missouri politics. His administration of the previous offices he held was marked by the utmost fairness to all elements with which he came in contact, and it is believed that he will so administer the highest executive office in the state. Insurance men throughout the state feel that they will receive fair treatment from him as governor of Missouri, as he is very broad-minded and conservative. There is little danger of any radical legislation coming out of Jefferson City during the next four years, close students of politics say.

The term of Ben C. Hyde as superintendent of insurance does not expire until July 1, 1925, and it is very early to speculate as to whether he will continue in that office. While Governor Arthur M. Hyde and his entire administration were very active for Baker in the primary and later in the general election campaign, it is said on good authority that Mr. Baker is under no special political obligations to Governor Hyde or any one else. When it comes time to select a man for superintendent of insurance, those who best know Mr. Baker say that he will carefully consider the interests of all elements in insurance, and will name a man who he feels will fill the post without showing favoritism to any group.

#### BAKER IS REELECTED

TOPEKA, KAS., Nov. 11.—William R. Baker, Kansas superintendent of insurance, was reelected by approximately 70,000 over F. L. McElroy, Democratic candidate.

The campaign directed against Mr. Baker was a peculiar one and apparently had no effect. The Democratic committee sent out statements to fire insurance agents advising that if its candidate won the fire insurance rate case would be dismissed and the agents would get their commissions involved in the impounded premiums. This was the only campaign document circulated in the entire campaign.

#### HOPE FOR REAL DEPARTMENT

Nebraskans Plan Drive for Better Appropriation and Also to Separate Insurance Supervision

LINCOLN, NEB., Nov. 11.—Nebraska insurance men express satisfaction over the election of former Senator Adam McMullen, a Republican, as governor. Mr. McMullen is an outstanding resident of Beatrice, where he is engaged in banking and farming on a large scale. He has been a member of both the senate and house, and has an excellent knowledge of the inside workings of the state government.

It is believed that it will be possible to interest him in the plan closest to the heart of the insurance leaders of the state, that of securing enough of the taxes paid into the treasury by the company to finance a real insurance department for Nebraska. Governor Bryan was so intent on making a record for economical operation of the various departments under his direct control that it was impossible to get him back of the appropriations imperatively needed. The result was that the insurance

bureau was run on a smaller appropriation than usual, that part of the salary paid its head was given to the secretary of trade and commerce, to piece out his pay, and the bureau has been run without any actuary, that work being gratuitously performed by outside experts, when done.

M. A. Hyde, who has had the matter in charge, feels hopeful that the legislature will create a separate department of insurance. The State Bankers' Association recently passed resolutions insisting that the banking bureau be made a separate department, and as the insurance bureau is the principal activity linked up with it this would make it easier to secure what is wanted.

#### Life Women Have Exhibits

Women represented life and other branches of insurance, in the third annual exhibit of the Women's Chamber of Commerce of Kansas City, Nov. 6-7. Miss Dora C. Mathes, cashier of the Kansas City Life, had a booth in which large photographs of the new building, a small replica of the structure and literature were used effectively in display and advertising. Miss Reine Fletcher had a booth exploiting her services, and those of the W. B. Johnson & Co. agency, with which she is connecting, selling all lines. The Kansas City Women's Chamber of Commerce is one of the two women's organizations affiliated with the Chamber of Commerce of the United States.

#### Report on Wisconsin State Fund

The annual report of W. Stanley Smith, commissioner of insurance of Wisconsin, shows a premium income for the state life insurance fund of Wisconsin since its creation in 1911 of \$150,069. The interest income has been \$32,519.79. The fund has paid death claims amounting to \$20,100 and dividends amounting to \$22,144.95 to policyholders. Disbursements, including

surrender values and other payments to policyholders, totaled \$54,685.67. The total expenses of the fund since its organization amount to only \$7,815.80. The report shows the condition of the fund on Dec. 31, 1923, to be: Admitted assets, \$124,257.89; liabilities \$110,018; surplus \$14,239.74; insurance in force, \$496,000.

#### Hastings to Visit Milwaukee

Glover S. Hastings, superintendent of agencies for New England Mutual Life, will be the guest of the Wisconsin and Northern Michigan general agency of that company at a big meeting of agents to be held at Milwaukee Nov. 14. A. L. Saltzstein, general agent, is in charge of plans for Mr. Hastings' reception.

#### Wisconsin 1923 Business

Life insurance written in Wisconsin in 1923 showed an increase of 16.4 percent over that written in 1922 with a total for last year of \$233,848,673, the annual report of W. Stanley Smith, commissioner of insurance, shows in 1922 the total was \$200,966,274 and in 1921, \$170,909,431.

Total business in force in the state in 1923 was a gain of 14 percent over 1922, showing \$1,137,159,251 against \$997,925,051 in 1922.

Ordinary insurance in force totals \$946,268,587, industrial insurance \$153,075,485, and group insurance \$57,815,179.

#### Olsness Reelected

S. A. Olsness was reelected insurance commissioner of North Dakota at the general election last week, leading his opponent by a very safe majority.

Samuel O. Buckner, inspector of agencies for the Milwaukee office of the New York Life, was reelected president of the board of trustees of the Milwaukee Art Institute at its annual meeting last week. Mr. Buckner has been head of the Art Institute board for several years.

## IN THE SOUTH AND SOUTHWEST

#### WILL REVIVE STATE MUTUAL

**Policyholders of the Rome, Ga., Life Company, Vote to Rehabilitate the Old Institution**

The State Mutual Life of Rome, Ga., will be rehabilitated. It was placed in the hands of the state insurance department, nine years ago, but by the majority vote of policyholders, it will now become active. Insurance Commissioner Wright of Georgia authorized a vote to be taken as to whether the company should be revived or its business reinsured. Col. Hamilton Yancey of Rome, Ga., has been in charge of the company during the nine years, being appointed special deputy by the department, to administer its affairs. Its assets are more than \$300,000 and its business in force is about \$7,000,000. No new business has been written since the company was placed in the hands of the department. It is stated that a meeting of policyholders will be held in the near future, when a plan of reorganization will be submitted. A number of bids were made for the company.

#### Writes Big Group Policy

The Provident Life & Accident of Chattanooga has written group life insurance on the 1,089 employees of the Nashville Railway & Light Company, Nashville, Tenn., and on the 2,800 employees of the Tennessee Electric Company, of which the Nashville company is a subsidiary.

James W. Sinton, Jr., assistant actuary of the Atlantic Life, and Miss Elise Hardwicke, connected with the actuarial department of the company, were married recently.

#### FACING ASSESSMENT DELUGE

**Concerns Driven from Oklahoma Turn to Arkansas—Seek Regulatory Law in That State**

LITTLE ROCK, ARK., Nov. 11.—Arkansas is threatened with a deluge of assessment concerns which are being driven out of Oklahoma. Under the new law passed by the legislature of that state all the assessment organizations must get on an adequate basis with reserves that will take care of their obligations. They are given until July 1, 1925, to comply with this law. Some of them are already quitting the state. Some will probably comply with the law while others are expected to continue in business until the expiration of the time limit and then come to Arkansas.

Arkansas has no laws for the regulation of assessment companies. Efforts have been made during recent years to secure such legislation, but they all have failed. There are about 20 such companies operating in the state now.

## Empire Mutual Life Insurance Company of the United States

KANSAS CITY, MISSOURI

## THE OLD LINE CEDAR RAPIDS LIFE INSURANCE CO. A GOOD WESTERN COMPANY

CEDAR RAPIDS

Up-To-Date Policies      Liberal Contracts  
Iowa, South Dakota, Minnesota, Nebraska

IOWA

#### POLICY LOANS CAUSE LAPSES

Have You found a way to stop this waste?  
Our plan IS saving millions for many Companies and is the result of twenty-two years of careful research and experience.

THE OTIS HANN COMPANY  
10 So. La Salle St.  
Chicago, Illinois

## THE PEERLESS LIFE INSURANCE COMPANY OF KANSAS CITY, MISSOURI

WANTS GENERAL AGENTS FOR HANNIBAL, KIRKSVILLE, CHILlicothe, ST. JOSEPH AND ROCKPORT

**LIFE      ACCIDENT      HEALTH**

SAFE AS A GOVERNMENT BOND  
**The OHIO STATE LIFE**  
LIFE, HEALTH, ACCIDENT AND MONTHLY INCOME INSURANCE  
SEE → LATEST POLICIES AND AGENCY CONTRACT FOR FACTS  
Openings Ohio, Ind., Ky., Mich., W. Va., Tex. and Okla. Write Columbus

## MUTUAL LIFE OF ILLINOIS

HOME OFFICE  
SPRINGFIELD, ILLINOIS  
An Old Line Legal Reserve Life Insurance Company  
A Company of Service

**Service to Policy Holders**  
Operates under the Famous "Registration Act" which requires the reserve on every policy issued to be deposited and held in Trust by the Insurance Department of the State  
**Live Up-to-Date Policies**      **Ordinary Life**      **Limited Payment and Endowments**  
H. B. HILL, President      N. H. WALT, Vice-Pres. and Agency Director      JAS. FAIRLIE, Vice-Pres. and Actuary      DR. J. R. NEAL, Sec.

**Service to Agents**

A few good openings for good live producers in Illinois. Correspondence Invited.

JAS. FAIRLIE, Vice-Pres. and Actuary      DR. J. R. NEAL, Sec.

# One Hundred Men Wanted

## BEFORE JANUARY 1st, 1925

We want to reach the \$100,000,000 mark of business in force during 1925. We want one hundred or more men who will support themselves by writing life insurance—and appoint other men that will support themselves by writing life insurance and get those men to appoint other men and those others still others. The result of such a procedure is startling.

Write direct to the Home Office for details of the DIRECT AGENCY SYSTEM or get in touch with any of our agents in the field and they will gladly explain it to you.

We are now operating in Ohio, Indiana, Illinois, Michigan, Iowa, Missouri, Kansas, Oklahoma, Colorado, Nebraska, Kentucky, West Virginia, Pennsylvania, Virginia, Maryland, District of Columbia and Florida.

We are making a world's record. Come with us and grow.

### The Columbus Mutual Life INSURANCE COMPANY Columbus, Ohio

C. W. BRANDON, President

D. E. BALL, Secretary and Actuary

### EQUITABLE LIFE OF IOWA

Now Occupies Its  
NEW 18-STORY  
HOME OFFICE BUILDING  
In Des Moines



With increased facilities, it is now better prepared than ever before to render service to its policyholders, agents and friends.

National  
Underwriter

**Want Ads** Produce  
Results

One inch, One Column wide, one time, \$5.00

Write, Wire or Phone to

The National Underwriter, 1362 Ins. Exch.  
Phone Wabash 2794

and very few of them are paying the full amount of the claims against them. Many of them scale their claims as low as 20 percent of the face value and the beneficiary who had expected \$1,000 will do well to get \$200. The annual reports filed in the office of the commissioner show that many of these companies pay excessive salaries to managers and officers. One small company, which scales its claims about 25 to 30 percent, pays the president and his wife \$20,000 a year. The imminence of this Oklahoma deluge will probably mean another effort in the legislature which meets in January to enact laws that will protect the policyholders in this type of company.

Eight monthly and weekly assessment associations doing business in Arkansas in 1923 collected assessments totaling \$451,242 from 35,366 members and paid claims totaling \$261,348, according to the insurance commissioner's records. The report of Commissioner Bullion shows also that 32 prorata insurance associations were licensed in the state last year, and that they had 63,134 certificates in effect at the end of the year. They collected \$1,377,047 in assessments, and paid claims totaling \$718,490. Other expenses, exclusive of claims, amounted to \$595,589.

#### MITCHELL MADE PRESIDENT

Officers Elected by New Fort Worth Life Company But Name Not Announced

FORT WORTH, TEX., Nov. 12.—Officers for the new life insurance company organized here were elected this week. They are: J. W. Mitchell, head of the Mitchell, Gartner & Walton insurance firm, president; W. E. Connell, president of the First National Bank, vice-president; K. M. Van Zandt, vice-president and general manager, and Joe H. Barwise, counsel. The board of directors is composed of J. W. Mitchell, W. E. Connell, Lloyd H. McGee, Joe H. Barwise and K. M. Van Zandt.

The name of the new company has not been made public. The capital stock is \$500,000. The greater part has been taken by business men and bankers of Fort Worth who have been identified with its development for the past quarter of a century. A block of the stock has been reserved for bankers and business men in west Texas and the Panhandle sections. This will be taken immediately, it was said.

The company will write group insurance and all lines of life business but not accident insurance. This makes the third life company for Fort Worth this year. Officers of the new company say the name is decided upon and that it will be ready to write business as soon as the state authorities pass upon applications for charter and license.

#### Old Line Reports Good Start

The Old Line of Lincoln, Neb., has just completed its first month of operation in Texas, under the direction of Thomas Taylor, general agent, and reports a gratifying record. The company was only licensed the latter part of September and shortly thereafter Mr. Taylor, formerly a Mutual Life man, but more recently manager of the Taylor Construction & Investment Company of Houston, accepted the general agency for Houston territory. That agency alone presented \$72,500 completed business during October, and the total business written in the state was over \$100,000. The company also made an appointment in the Rio Grande valley, naming J. O. Davis and N. L. Williams as general agents, with headquarters at Harlingen. A. J. Neece of Morgan, Tex., has also been appointed general agent.

#### Plan Oklahoma Sales Congress

Initial arrangements for the annual sales congress of the Oklahoma Association of Life Underwriters were made at a recent meeting of the executive com-

mittee. The congress will be held some time between Jan. 26 and Feb. 9, the definite date to be announced later. Dr. S. S. Huebner of Philadelphia, dean of Wharton School of Commerce and Finance, will be principal speaker and will deliver his famous address on "Human Life Values," which he gave at the national convention at Los Angeles last summer. En route Dr. Huebner will speak at Lansing, Flint and Detroit, Mich.

#### Equitable's Oklahoma Contest

An interesting contest developed within the ranks of the Equitable Life of New York in Oklahoma during October, when the Tulsa agency challenged Oklahoma City in a contest for new business applied for in October, and delivered and paid for on or before Dec. 31. Also the side having the greater number of cases applied for was to get an additional credit of 20 percent of its total score on applied business. Last reports gave Tulsa 74 cases, with a volume of \$517,349 and Oklahoma City 79% cases with \$467,237. The 20 percent to be added for largest number puts Oklahoma City ahead by a small margin, but the final result will be determined by the paid for business between now and December 31. The losing team is pledged to pay its own expenses for a visit and dinner to the winning team.

#### Western Life Enters Texas

The Western Life of Des Moines was licensed last week in Texas. Texas headquarters are to be at Lyford, Willsey county, near the Mexican border. It was stated that later headquarters probably would be changed to San Antonio. C. E. Craig was designated as state manager.

#### Southern Notes

A new son has arrived at the home of Mr. and Mrs. Gale Windsor. Mr. Windsor is past secretary-treasurer of the Oklahoma Association of Life Underwriters, and special agent for the Union Central Life.

Mr. and Mrs. Horace F. Sharp of Richmond, Va., are being congratulated upon the arrival of a daughter, Bettie Page. Mr. Sharp is assistant to A. O. Swink, Virginia manager for the Atlantic Life. He was formerly assistant secretary of the company.

#### WILLIAMSON PRESENTS STRONG AGENCY PLATFORM (CONTINUED FROM PAGE 3)

are not exclusively in the business. There are too many nondescript, incompetents, down-and-outs.

When men have been selected of the right caliber, they should be carefully trained. Mr. Williamson said that better schooling and more intelligent preparation for the work are needed. He said that 100 percent men should be chosen to enter the life insurance field. They should always be at par. They should sell their goods at par. Life insurance, he characterized as the highest order of merchandising in the world.

#### Missouri State Club Meetings

The Missouri State Life has announced that the 1924 gatherings of the eastern and western \$100,000 Clubs will be held at the home office. The meeting will take place shortly after the first of the year. The exact dates have not been set. The Quarter Million Club will hold its convention in Havana, Cuba.

#### New Springfield, Ill., Company

The State Capital Life, a new company, is being organized at Springfield, Ill., with a capital stock of \$100,000 and a surplus of equal amount. The company will have its main office in Springfield, writing old line, legal reserve policies. The organizers are: H. H. Devereux, Springfield; W. D. McBride and C. S. Stokes, Taylorville; F. B. DeMotte, Rossville; Mike M. Hines, Stonington; Samuel Quinn, Chicago; Dr. W. T. Short, Stonington; P. A. Erlach and A. D. Stevens, Springfield.

## PACIFIC COAST AND MOUNTAIN FIELD

### ADOPTS BRANCH OFFICE PLAN

**Southern California Agency of Central Life Opens Secondary Offices for Development of Field**

The Southern California agency at Los Angeles of the Central Life of Des Moines has adopted the branch office plan in the development of its field, the promotion of personal producers to the management of such offices being based on volume of individual business. S. C. Mitchell is the first man to qualify under the new arrangement and he has been assigned by General Agent W. H. Carter to the Hollywood branch of the Sunkist agency as agency manager. Ed Gossett has also qualified for a similar position at Pasadena and arrangements are now being made to open an office in that city. S. C. Mitchell led the field of the Los Angeles agency in October production and Mr. Gossett ranked second for the month. Mr. Mitchell has won the leader's cup three times for monthly volume in 1924 and is ahead in the contest for permanent possession of the trophy. Mr. Carter's agency has produced over \$1,500,000 of new insurance for the year to November 1 and is making a determined effort to reach a goal of \$2,000,000 before the end of the year.

### Western States Club Meeting

The Western States Life of San Francisco has selected the Hotel Del Coronado, Coronado Beach, Cal., as the meeting place of its 1925 convention of the \$100,000 Club to be held Sept. 10-12. The company has adopted a three-fold slogan for the club: "One Hundred Million of Paid for Insurance in Force, One Hundred Club Members and a 'Million Dollar' Club President."

### Russell Agency Breaks Record

The results obtained by the home office agency at Los Angeles of the Pacific Mutual Life during October, "appreciation month," broke all previous records for the production of new insurance by John Newton Russell's organization. The mark which had been set for accomplishment was 1,000 applications, but at the close of business Oct. 31 it was found that 1,480 applications had been written, for a total volume of \$7,732,314. This is approximately \$600,000 in excess of the October record last year. The four winning teams and their standing, indicated in the order in which they are named, are as follows: Moores, Dudleys, Becketts,

and Bakers. The members of the winning teams will be the guests of the officers of the company at a theater party Nov. 18, which will also include each member of the agency who wrote three applications or a total of \$10,000 during the contest.

### Honor Mersfelder at Albuquerque

As a farewell tribute to the esteem in which L. C. Mersfelder was held by his former coworkers in the life underwriting field of New Mexico, a handsomely engraved writing set was presented to him at a special meeting of the New Mexico underwriters at Albuquerque, just previous to his departure to enter a similar field in Oklahoma. Mr. Mersfelder was general agent for the Kansas City Life in New Mexico for seven years, and was recently transferred to the general agency of the same company in Oklahoma, with headquarters at Oklahoma City. The tribute paid the departing general agent was signed by the following general agents: E. D. Fisk, New York Life; J. H. Coons, Mutual Life of New York; Allen E. Bruce, Pacific Mutual; W. D. Irwin, Northwestern Mutual; N. S. Tierney, Missouri State Life; Harry Slack, Kansas City Life; E. L. Grose, Equitable Life of New York; and George Roslington, secretary and general manager of the Occidental Life.

### Capitol Life in New Building

The offices of the Capitol Life of Denver were moved during the past week from the Tabor building into the new home of the company nearly completed at East Sixteenth avenue and Sherman street. The construction work will be completed within the next few weeks, after which a public reception will be held and the new building will be thrown open to the public for inspection, it was announced this week. The dedication ceremonies, which also will take place later in the month, will be private, only the officials of the company and employees being present.

### Honored With Applications

When H. E. Aldrich, vice-president and superintendent of agencies for the Equitable Life of Iowa, visited San Francisco recently, the members of the W. G. Eader agency of that city presented him with a shower of applications totalling \$188,000. Vice-President Aldrich, accompanied by Assistant Superintendent of Agencies P. M. Ray, is spending several weeks in visiting all Pacific coast agencies of the Equitable Life of Iowa.

## IN THE ACCIDENT AND HEALTH FIELD

### CHANGE FOR R. J. NECKERMAN

**Continental Casualty Superintendent of Agents Will Cultivate the Northwestern States More Assiduously**

R. J. Neckerman of Chicago, superintendent of agencies of the accident and health department of the Continental Casualty, will return to Madison, Wis., Jan. 1, to again head the Neckerman Agency of that city and will take charge of production work for the Continental Casualty and Continental Assurance in the northwestern states. The company will cultivate the field more assiduously and Mr. Neckerman feels that with Madison as his headquarters, he can accomplish more in the northwest. He won his spurs at Madison with the Neckerman Agency as a producer of business and organizer. He was prominent in civic affairs while he was a resident of Madison and is one of the popular young men of the city.

### NEW LOS ANGELES COMPANY

**Eureka Casualty Completes Organization and Seeks License From Department**

LOS ANGELES, CAL., Nov. 11.—The Eureka Casualty, which has been in process of organization for several months, has successfully completed its plans and filed application last week for license to write health and accident insurance in California. It is expected that this will be granted without delay, as the books of the company were recently examined by the insurance department and also by the corporation commissioner and the details of its organization approved. For the present the company will confine its activities to the writing of health and accident insurance but later may take up all casualty lines. Offices have been secured at 627 Insurance Exchange building, and will be opened for business

# CENTRAL STATES LIFE INSURANCE COMPANY SAINT LOUIS

All Ages up to 65  
Participating and Non-Participating Policies  
Standard and Sub-Standard Risks  
Prompt Service

Excellent territory for General Agencies  
open in Illinois, Minnesota, South  
Dakota, Kansas, Missouri, Wyoming and  
California :: :: :: ::

## Why Young Men Should Become Life Insurance Agents

### Seven Reasons for Life Insurance Career

- LIFE INSURANCE is founded on the highest ideals.
- It is capable of yielding a good income and the satisfaction of accomplishment.
- It offers opportunities for real leadership.
- It brings the insurance producer in close association with big business and big business men.
- It requires education in business methods, law and finance.
- It is a field for workers, not shirkers.
- It is an alluring and practical calling for men of dynamic energy.

*John Hancock*  
MUTUAL  
LIFE INSURANCE COMPANY  
OF BOSTON, MASSACHUSETTS

Over Sixty years in business. Now insuring nearly Two Billion dollars in policies on 3,500,000 lives.

Nov. 13. The president of the company is Frank A. Moore, and the other officers are: H. W. Reynolds first vice-president; F. E. Burger, second vice-president; Chas. E. Wright, third vice-president; W. M. Haynes, secretary; John Swanfeldt, treasurer. Members of the board of directors, in addition to the officers, are Miles Gregory, Melvin Breese, J. M. Harlan, E. H. Martin and Paul Shepard. The officers and directors are men who are well known in business and financial circles of Los Angeles, and Messrs. Wright and Shepard are experienced insurance men. The capital of the company is \$200,000, represented by 2,000 shares of a par value

of \$100 each. The stock was sold at \$125 per share, thus providing a surplus of \$50,000.

#### WILL MEET IN ST. LOUIS

#### Health & Accident Underwriters Conference to Hold Its Mid-Winter Session in That City

The executive committee of the Health & Accident Underwriters Conference at a meeting in Chicago Tuesday decided on St. Louis as the place for holding its mid-winter meeting. The

exact dates were not fixed, but the meeting will be held some time between Feb. 20 and Mar. 15. There has been some talk of Detroit as the next meeting place, but there was a considerable sentiment in favor of deferring the meeting there until 1926, which will be the 25th anniversary of the organization of the Conference in that city.

While no definite decision was reached in regard to the mid-summer meeting for 1925, it seems highly probable that it will be held again in Chicago. The delegates attending the mid-summer meeting this year were so well pleased with the accommodations furnished at the Edgewater Beach hotel that many of them expressed themselves quite strongly at that time in favor of meeting there again next year.

It has practically been decided that the International Claim Association will hold its meeting next year at Montreal, and there was some discussion of the desirability of holding the Conference session at the same time and place, but present indications are that there will be no joint meeting of the two organizations next year.

#### Chicago Claim Men Elect

At the November meeting of the Chicago Claim Association, Monday evening, Arthur W. Pettit of the Federal Life was elected secretary, succeeding Charles N. Dubach. The other officers were re-elected as follows: President, T. W. Hislop; vice-president, Dr. Edward Cumiskey; treasurer, J. C. Brown. It was decided to change the time of the regular meeting to the second Wednesday of each month.

#### Ohio Companies Organize

COLUMBUS, O., Nov. 11.—The Ohio Health & Accident Underwriting Association was organized here for the purpose of advancing the general interests of health and accident underwriting. Membership is open to mutual insurance companies of Ohio. Officers elected are: President, E. G. Robinson, secretary of the National Masonic Provident, Mansfield; vice-president, Channing E. Jones, Buckeye Mutual Health, Columbus; treasurer, George L. Behrens, secretary Globe Casualty, Columbus; secretary, S. L. Cotter, manager of the Commercial Mutual, Columbus; executive committee, B. B. Paddock, Columbus, A. R. Smith and J. C. Hanna of Cleveland.

#### Accident Limit \$1,000

The Mutual Life of Illinois is limiting principal sum coverage in its accident policies to \$1,000 for policies written on arresting officials.

#### Plan for Cancellation

Where the assured, by false representation, secured a health and accident policy on himself and where as a result of that misrepresentation he succeeded in collecting benefits from the insurer who stood in danger of having to pay him additional benefits if the policy which was in form a specialty remained outstanding, it was held that resort to equity for cancellation was the proper remedy. Massachusetts Protective vs. Kittles, U. S. C. C. A. 5th Circuit. Decided Oct. 31.

#### Pioneer Launches Subsidiary

The Pioneer Indemnity of Lincoln is preparing papers for filing with the Nebraska insurance department, from which it will seek the usual permit to do business. It will be a subsidiary of the Pioneer Accident & Health, of which E. C. Folsom is the manager, and will be utilized for writing burial benefits, forbidden to the parent company. The Pioneer has been using the old Nebraska State Life with which to place its burial writings, but that company is unable longer to qualify under the law and is having its affairs wound up.

#### Keith Is Visiting the West

Thomas A. Keith, agency assistant of the Aetna Life and a specialist in the sale of accident insurance, is making an extensive tour of the company's agencies and branch offices through the middle west. Mr. Keith has direct supervision of accident field work among life general agencies, and during his trip he will visit all offices now writing

accident insurance and also those which are preparing to begin the writing of this line.

#### I. H. Blakely's Change

I. H. Blakely of Indianapolis, who has been representing the Ridgely Protective as field supervisor for Indiana, Michigan and Ohio for several years, has resigned to become field supervisor for the Massachusetts Protective under William H. Martin of Chicago, who is supervisor of agencies.

#### Branch Managers Named

Some additional appointments and changes in the branch claim offices of the Pacific Mutual Life have been announced by Robert R. Harrold, general claim representative at Chicago. K. N. Pomeroy, formerly with the claim department of the Santa Fe railroad at Topeka, has been appointed manager of the Dallas zone and will assume charge of the headquarters there after a few weeks in the Chicago office. Edward Mohan, who has been temporarily in charge at Dallas, will return to Chicago to assist W. R. Carnduff, who is in charge of the local claim department there. Edgar Harold, who has been in charge of the Atlanta office, has been transferred to the Chicago office and Edwin E. Lowe, who has been in the Chicago office, will assume charge of the Atlanta zone. Henry Smith will assist him there. F. R. Zoeller, who is assuming charge of the Norfolk, Va., office, has been in the Chicago office for many years. F. H. Jacobson, who is now opening the Minneapolis office to cover Minnesota, North Dakota and South Dakota, was formerly secretary-treasurer of the Equitable Casualty and in charge of claims for that company. He has had 11 years' experience in personal accident claims.

#### Moves to Los Angeles

The Western Travelers Accident has announced the removal of its home office from Omaha to Los Angeles, in which city it has established its headquarters in the Financial Center building at Seventh and Spring streets. The announcement was made by Willard H. Butts, secretary. Frank H. Garrett is president, and J. Donald, vice-president.

#### WITH INDUSTRIAL MEN

##### Conservative Life News

Dixon W. Place, president of the Conservative Life of South Bend, is slowly convalescing and the doctors believe he will be back at his desk before the end of the year.

The Conservative Life has a special bonus month in ordinary and industrial combined for November, the bonus checks on which are to be sent the men so as to reach them for Christmas.

Leaders for the year—Joint results, Superintendent C. W. Wester, South Bend; Agent Carl Basehab, Hammond. Monthly increase, Superintendent C. W. Wester, South Bend; Agent Carl Basehab, Hammond. Ordinary increase, Superintendent C. W. Wester, South Bend; Agent Joseph Martin, South Bend. Collection percent, L. L. Hite, superintendent, Anderson; Agents John Ennis, Gary, and J. F. Davidson, Anderson, tied. Arrears percent, Superintendents C. W. Wester, South Bend, and W. J. Makawsky, Gary, tied; Agents Wm. K. Mohn, South Bend and Louis Balegh, South Bend, tied.

#### Western & Southern Rockford Banquet

Twenty-five members attended the Rockford, Ill., district agency banquet to members of the local staff of the Western & Southern Life. Rockford again copped the silver loving cup for the largest volume of business, maintaining its record of holding the cup a month in each quarter, being barred by the contest rules from holding it oftener than one month during the quarter. J. N. Reinhard and G. W. Lamson, local agency heads, emphasized "Service" in their talks, which were the principal ones at the banquet.

#### Equitable Life's Business

The paid for business of the Equitable Life of New York in October was \$45,976,000, a gain of \$4,211,000 over October of last year.

## NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem," Published Annually in May and April respectively. PRICE, \$3.50 and \$2.00 respectively.

### MAKES DIVIDEND INCREASE

#### Indianapolis Life Announces Its Scale Which Means an Advance of About 26 Percent

The Indianapolis Life announces a new dividend scale effective Nov. 15, which is an increase of 26 percent over the previous schedule. The dividends are:

##### Ordinary Life

Ages	25	30	35	40	50	60	20 Pay
Pre.	19.64	22.38	25.97	30.74	46.04	75.19	Ord. Life
End of Year							20 Yr. Coupon Svs.
1...	3.17	3.37	3.43	3.62	4.17	5.74	36.00
5...	4.55	4.86	5.26	5.82	7.50	11.40	42.00
10...	6.11	6.73	7.50	8.47	11.52	18.52	43.00
15...	6.79	7.54	8.45	9.70	13.53	21.61	43.00
20...	7.57	8.45	9.60	10.95	15.99	24.37	43.00

##### 20 Payment Life

Pre.	28.30	31.23	34.80	39.25	52.44	76.99
End of Year						
1...	3.16	3.36	3.42	3.60	4.05	5.28
5...	4.93	5.26	5.64	6.14	7.47	10.47
10...	7.08	7.75	8.49	9.38	11.77	17.08
15...	8.54	9.36	10.29	11.43	14.44	20.29
20...	10.31	11.31	12.49	13.81	17.53	22.38

##### 20 Year Endowment

Pre.	46.59	47.19	48.09	49.56	56.37	78.77
End of Year						
1...	3.42	3.56	3.56	3.61	3.75	5.26
5...	6.26	6.29	6.31	6.39	6.75	10.50
10...	9.98	10.02	10.06	10.12	10.67	17.16
15...	13.12	13.15	13.18	13.29	13.95	20.43
20...	17.00	17.04	17.09	17.18	17.59	22.15

##### 10 Year Endowment

Pre.	101.33	101.88	102.61	103.66	108.07	120.03
End of Year						
1...	6.70	6.88	6.88	6.96	7.12	7.98
3...	9.92	9.98	9.99	10.06	10.29	11.29
5...	13.18	13.21	13.24	13.30	13.56	14.78
10...	20.12	20.17	20.22	20.29	20.60	21.44

##### 20 Premium End. at 65

Pre.	30.74	34.39	38.90	44.61	....
End of Year					
1...	3.09	3.29	3.32	3.50	....
5...	4.65	4.97	5.36	5.86	....
10...	6.64	7.30	8.10	9.07	....
15...	8.42	9.33	10.40	11.78	....
20...	10.61	11.80	13.28	15.06	....

##### Continuous Premium at 65

Pre.	22.52	26.57	32.19	40.14	72.44
End of Year					
1...	3.06	3.24	3.26	3.42	4.88
5...	4.20	4.50	4.92	5.54	8.94
10...	5.56	6.21	7.10	8.35	13.77
15...	6.60	7.52	8.78	10.63	18.54
20...	7.84	9.07	10.83	13.32	....

### AMICABLE'S NEW SCHEDULES

#### New Policies and Rates Announced by Waco Company, With Several New Features

A policy and rate revision is announced by the Amicable Life of Waco, Tex., effective Nov. 1. The policy conditions have been changed as follows:

Surrender and loan values will be allowed after two premiums instead of three.

Fully paid-up policies may be exchanged for participating policies.

Proceeds of policies and trust funds are allowed interest equivalent to the mean interest earnings of the company.

Premium rates are reduced on all but term, joint life and continuous monthly income policies.

New rates per \$1,000 are as follows for the more important participating policies:

Age	Ord.	20 Pay	20 Yr. Coupon	Svs.
	Life	Life	End.	
13...	\$12.06	\$19.65	\$39.61	5
14...	12.29	19.92	39.66	....
15...	12.52	20.21	39.70	....
16...	12.77	20.50	39.76	....
17...	13.30	21.13	39.89	27.94
18...	13.03	20.81	39.82	27.49
19...	13.62	21.52	39.95	28.39

not as high as under the so-called half-rate forms. It is called a commercial policy and is not sold in lots of less than \$5,000. Monthly income disability will be added at the regular additional rate. The policy carries a reduced premium for the first five years, with the full premium thereafter. The premium schedule is as follows, per \$1,000:

Age	Ord.	20 Pay	20 Yr. Coupon	Svs.
20...	13.91	21.87	40.02	28.86
21...	14.22	22.22	40.10	29.35
22...	14.56	22.59	40.18	29.86
23...	14.90	22.98	40.26	30.33
24...	15.25	23.39	40.35	30.94
25...	15.64	23.80	40.44	31.51
26...	16.02	24.24	40.56	32.12
27...	16.45	24.69	40.69	32.74
28...	16.94	25.22	40.82	33.38
29...	17.45	25.71	40.96	34.06
30...	17.95	26.22	41.12	34.76
31...	18.51	26.75	41.30	35.50
32...	19.11	27.37	41.50	36.26
33...	19.69	28.09	41.70	37.06
34...	20.32	28.70	41.93	37.91
35...	20.97	29.33	42.18	38.78
36...	21.76	30.07	42.45	39.63
37...	22.50	30.85	42.75	40.66
38...	23.28	31.57	43.07	41.67
39...	24.10	32.42	43.44	42.73
40...	25.05	33.30	43.84	43.84
41...	26.04	34.15	44.28	45.01
42...	27.04	35.14	44.77	46.25
43...	28.16	36.18	45.31	47.55
44...	29.38	37.21	45.89	48.94
45...	30.66	38.34	46.54	50.41
46...	32.03	39.55	47.25	51.95
47...	33.41	40.85	48.04	53.60
48...	34.96	42.24	48.92	55.36
49...	36.63	43.69	48.89	57.21
50...	38.41	45.24	50.95	59.18
51...	40.31	46.92	52.16	61.28
52...	42.22	48.68	53.54	63.52
53...	44.27	50.43	54.97	65.90
54...	46.45	52.31	56.41	68.45
55...	48.78	54.32	58.00	71.19
56...	51.27	56.46	57.71	74.11
57...	53.93	58.71	60.21	77.24
58...	56.78	61.25	60.80	80.60
59...	59.82	63.92	64.23	84.23
60...	63.07	66.78	68.11	88.11

The Montana Life has gotten out two new policies, one an endowment at age 60 by continuous premiums and a 20 premium policy, with endowment at age 60. The company already has in its list the endowment at age 65.

### MONTANA LIFE

The Montana Life has gotten out two new policies, one an endowment at age 60 by continuous premiums and a 20 premium policy, with endowment at age 60. The company already has in its list the endowment at age 65.

### PETERSON TO HOME OFFICE

#### Fort Dodge Manager of Mutual Trust Becomes Executive in Agency Department

Carl A. Peterson, general agent at Fort Dodge, Ia., has been brought into the agency department at the home office where he will have an official position. Mr. Peterson has made a splendid record in his agency and his promotion is deserved. This gives the Mutual Trust Life a strong agency staff. Gilbert Knudtson, vice-president, is in charge of the agency work, assisted by D. E. Thompson, agency secretary; C. L. Winey, field supervisor, and L. R. Lunoe, superintendent of agents. The addition of Mr. Peterson gives the company five executives in its agency department.

Mr. Peterson was given a farewell luncheon last week at the Fort Dodge Chamber of Commerce by half a hundred of his associates and friends. He represented the company at Fort Dodge for 13 years.

L. H. Minkel will succeed Mr. Peterson at Fort Dodge as general agent for north central Iowa. Mr. Minkel has had a rapid success in life insurance. He was superintendent of schools at Fort Dodge for several years but went with the Peterson Agency a year and a half ago, where he showed such ability that he is now given charge of the territory.

### LAMAR LIFE BUILDING NEAR COMPLETION

The new Lamar Life building at Jackson, Miss., a 13-story structure now nearing completion, will be occupied within the next two weeks. Finishing touches are being placed on the construction which is one of the most imposing in this section of the country.

### L. J. SENESAC

George Hawkins, who has been general agent for the Pacific Mutual Life at Springfield, Ill., is succeeded there by Leon J. Senesac, formerly in charge of the accident department of the company. Mr. Hawkins will join the Springfield Life, formerly the Court of Honor, as superintendent of agencies.

New York—Louis A. Cerf of the Mutual Benefit spoke on "Program Insurance" at the meeting this week of the Life Underwriters' Association of New York. R. D. Murphy of the Equitable discussed "The Social Value of Insurance." The meeting was held at the Hotel Astor.

## New Policies

New and appealing line of policies being written.

Rates exceptionally attractive.

## NEWS OF LOCAL ASSOCIATIONS

### SHOW HOW NEEDS ARE MET

#### O. Sam Cummings Gives Forceful Address on Sales Methods at Oklahoma City Meeting

OKLAHOMA CITY, OKLA., Nov. 11.—O. Sam Cummings of Dallas was the speaker at the last meeting of the Oklahoma Association, and took for his subject, "Life Insurance A Means and Not an End." Mr. Cummings is associate state manager of Texas for the Kansas City Life, educational director of the North Texas association, and former international secretary of Kwanis.

"Nobody wants life insurance," he said, "but everybody wants health, contentment, happiness and success, and the only way we can sell life insurance successfully, is to sell it on one of these terms—the terms of what the people want."

"The highest objective a man has is to provide for his family, but it is often so circumscribed by everyday problems of life, that he often either forgets or neglects it. But if you will pin him down to where he will agree that this is his most vital objective, you have sold him."

"Translate the need of health, happiness and contentment, into language anyone can understand. Tabulate an approximate need of his family and submit it to the prospect as the necessary provision for his family."

#### Submit Figures on Income Service

He suggested as a good idea, immediately upon entry into a man's office, to lay upon his desk detailed figures on the income service.

"Make a presentation of something that fastens his attention immediately and before he has time to reply to you in stereotyped phrases such as that he has all the insurance he can carry and the like, concentrate his attention upon your figures as applied to his needs, as worked out in the plan placed in front of him. Lead him to see the proposition as a solution of a means to a stipulated end."

The speaker concluded with a reference to business insurance as a credit stabilizer, declaring that in his opinion approximately 95 percent of the business endeavors in this country are dependent upon the ability of one certain man. Here too he emphasized the advantage of selling the need and not the policy. "If we would present life or business insurance in this manner, we will sell more insurance and more insurance will stay sold," he said.

Upon the announcement of the resignation of Charles L. Sykes, vice-president of the local association and a member of the firm Dyer & Sykes, general agents for the Mutual Benefit Life, and his removal to become an official in the home office at Newark, resolutions paying high tribute to Mr. Sykes and regretting his loss were adopted.

**Chicago**—At the annual meeting of the Chicago association, the following officers were elected: President, W. W. Williamson, Phoenix Mutual Life; vice-presidents, C. F. Axelson, Northwestern Mutual and Jens Smith, Pacific Mutual; secretary-treasurer, H. D. Lininger, Equitable of Iowa; executive committee (one year term), K. B. Korrady, Missouri State; J. H. Miles, Union Central; Lawrence Choate, Mutual Benefit; E. T. Marsh, Equitable of New York, and George Hoffman, Guardian Life; (two year term), J. B. Campbell, Fidelity Mutual; Myron Smith, New England Mutual; S. T. Whatley, Aetna Life; Leonard Ellsworth, Provident Mutual, and Sidney Wellbeloved, Mutual Life of New York. Harry C. McNamer of the Equitable of New York, retiring president, becomes an honorary member of the executive committee for a year.

Mr. McNamer's administration was faced with a deficit of over \$2,000 on

account of the National Life Underwriters Association convention. He succeeded in paying it off, and showed a balance of \$280. The receipts for the year were \$5,774, and the disbursements \$5,494.

\* \* \*

**Chickasha, Okla.**—The necessity of doing a full day's work every day, planning the day's work and adhering strictly to this plan, was stressed by George E. Lackey, general agent in Oklahoma for the Massachusetts Mutual Life and vice-president of the National Association, at a meeting of the Chickasha association Saturday. Mr. Lackey spoke along the line of future opportunity.

He is scheduled to talk to the Kansas City association Nov. 14. His talk will be made with the purpose of stimulating interest in the national convention of 1925, to be held in that city.

\* \* \*

**Des Moines, Ia.**—At the November meeting of the Des Moines association, Dr. T. C. Denny, secretary and supervisor of agencies of the Central Life, made the statement in an address that there are only 1,500,000 people in the United States who possess property valued at \$5,000 or more. After giving figures as to the number of farm owners in Iowa, Dr. Denny declared that the Iowa farmer is a business man, owning and controlling capital, and hence he needs business insurance just as any other business man. He explained briefly the benefits derived from old age endowment insurance, declaring that too many insurance men preach "death insurance" rather than "life insurance."

Prior to Dr. Denny's address, a ten-minute paper on "Program Insurance" was read by Henry Haas of the Northwestern Mutual Life.

\* \* \*

**Colorado**—Henry Swan, vice-president of the United States National bank of Denver, spoke on the "Dawes Plan" at the regular monthly meeting of the Colorado association at Denver. The address followed the 6 o'clock dinner of the organization. At 7:30 the meeting was turned over to Agency Manager Pease of the Equitable Life of New York, and an agency group meeting was conducted. Topics in regard to income insurance settlements were covered.

\* \* \*

**Tulsa, Okla.**—Enthusiasm was the keynote of the life underwriters meeting Saturday, with F. S. Goldstandt, of the Engelsman & Goldstandt general agency for the Equitable Life of New York at Oklahoma City, principal speaker. Mr. Goldstandt spoke on "Selling Settlements" and stressed the idea of making sales on the basis of what the policy would do for the beneficiary, rather than selling just the policy itself. He laid particular emphasis upon the installment and income insurance, irrespective of the size of the contract.

\* \* \*

**Columbus, O.**—Prof. S. S. Huebner of the Wharton School of Finance and Commerce of the University of Pennsylvania was the speaker at the meeting of the Columbus association a few days ago. His address was declared by many to be one of the best ever delivered before the organization.

\* \* \*

**Lansing, Mich.**—"Ladies night," when members of the Lansing Association entertained their "best partners in business," was scheduled for Wednesday evening, with M. Albert Linton, vice-president of the Provident Mutual Life of Philadelphia, as the principal speaker, his topic being "Life Insurance Policyholders and Trust Company Service." The meeting is the second of the year for the association which is obtaining a number of prominent insurance figures for addresses during the winter.

\* \* \*

**Lincoln, Neb.**—The insurance principle has been an active influence in the life of the white race from the days of savagery. Prof. J. Bruce Robb of the University of Nebraska told the Lincoln Association at its November luncheon. It was the early recognition by the one race that lives in the future that each member of it had a survival value. This was influenced first by living in groups, and later the principle was definitely established when men came to understand the number of risks to which they had to submit their future.

The fabric of insurance, he said, rests

upon the passion of men to obtain security, and this includes two things, the foresight that enables a man to estimate what the future may have in store and the other the necessity of cooperating with his fellows to protect all of them. That is what insurance is, cooperation and not a company. Mr. Robb said that the social service that insurance men perform, along with doctors, lawyers and bankers, gives dignity to the profession.

Mr. Robb, who is an honorary member of the Oklahoma Underwriters Association, was elected an honorary member of the Lincoln group at the close of his speech. He is lecturing in the daytime on fire insurance, and at night on life insurance.

The club voted to discuss substandard policies at the next meeting, a subject upon which there is a sharp division of opinion, being objected to because it is being sold for the purpose of increasing volume, and not being what the insured should buy where he can get standard policies or what the agent should sell in his own and the company interest.

\* \* \*

**Kalamazoo, Mich.**—The Kalamazoo association may start an advertising campaign in local newspapers within the next few weeks. A large number of members of the association have expressed themselves in favor of the plan and at a dinner meeting here last week, addressed by James H. Buswell, representative of the Kalamazoo Advertising Club, a committee was named to look into the possibilities of the plan. On the committee are: C. J. Hoebeke, Mrs. Alice L. Stephenson, and D. A. Taylor. Sentiment favors group advertising with mention of individual agencies.

### LINTON'S ANALYSIS OF AGENTS' COMMISSIONS

(CONTINUED FROM PAGE 5)

agents' commissions, do not exceed the expenses until the 12th year.

#### Factors in Returns

The age and standing of the company and the cost of the insurance it furnishes will have an influence upon the overriding returns to the general agent upon the production of a given unit of business. If a large volume can be produced with relative ease, the unit returns of the general agent can with entire fairness to all concerned be made smaller than in cases where a company is not well established and must therefore work harder for what it gets. For purposes of illustration, \$5,000 was considered a fair present value of the net overriding profit for 20 years on a going basis, of a single year's production of \$1,000,000. There is a heavy outlay concentrated in the first year, after which the expenses bear a reasonable relation to the overriding commission. It would seem justifiable, therefore, that any allowance less in amount than the expenses of the first year should be considered as an allowance toward acquisition costs.

Otherwise the general agent may have to make up a substantial deficit either out of his own savings or out of what he can borrow, with the result that in many instances he may restrict the development of his agency and write an abnormal amount of personal business.

#### Payment of Allowance

If it be granted that the allowance should be toward acquisition expenses, the payment to the general agent on the basis of a percentage of first year's premiums prevents an undue expense allowance for the production of term insurance. But the fact must not be overlooked that to base the allowance on new business production is to weaken the emphasis on conservation. The allowance may be made on the basis of a fixed amount per \$1,000,000 of new business. One of the evils of American life insurance practice is the heaping up of so much of the cost on the first year's premium.

#### Spread Acquisition Costs

To meet this difficulty it was suggested that the allowance might be determined by applying a series of three percentages, respectively, to the pre-

miums collected in the agency for the first, second and third policy years. This would mean that the entire expense allowance for a new policy would not be granted until premiums for three full policy years had been paid. When this had occurred it would probably be fair to assume the business was of good quality and the general agent entitled to the full allowance from the company. This method might be carried even farther, and the allowance based upon the total premium income, but unless a series of percentages graded as to agency years were adopted, the relief to the general agent in the early years of his agency would be small, and the company would still be faced with the consequences of requiring him to make up a series of deficits. Even under the three year method suggested, the company might have to make some temporary arrangement in the agency's first year or so.

#### Illustration of Margin

If, for example, the company should contribute the equivalent of \$3,000 in a single sum as the first year's overriding margin toward each million of average new business, the present value of the net overriding profits for 20 years on a single year's production of \$1,000,000 would be \$5,132 or \$3,632, according as the 5 percent margin was or was not retained by the general agent. In other words, it would require about \$1,410,000 worth of business where the general agent did not retain the margin to produce a return on this basis equal to the return on \$1,000,000 of business on which the general agent did retain the margin. Therefore, if the payment of the margin to the soliciting agent would increase production more than 41 percent, the general agent might feel justified in making the payment.

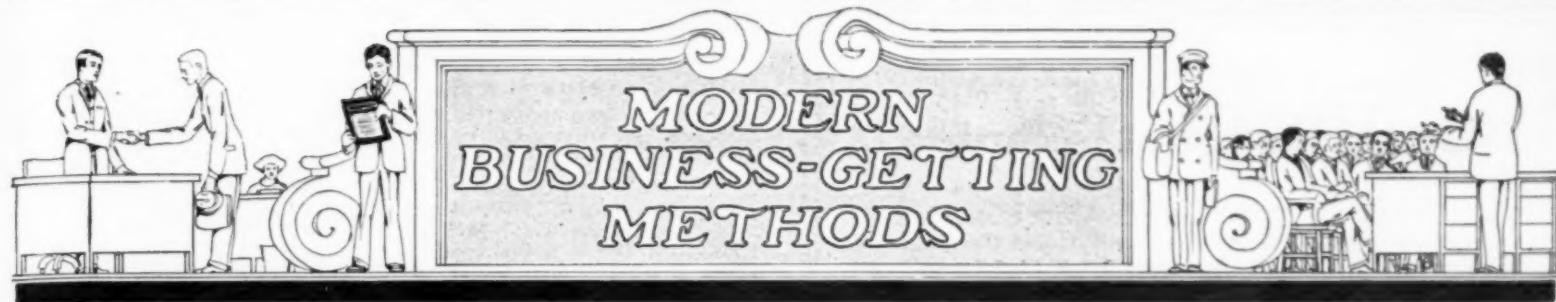
#### Early Years Hardest

It was shown that the early years of a policy history tend to be lean years for the general agent. A considerable increase was noted in the return for the five years, 11 to 15 inclusive, due, of course, to the fact that the overriding commission rate in those years increases to 5 percent. The need of the general agent for funds in his early years has led some companies to adopt a redistribution of the commissions to eliminate this increase, and substitute for it an additional amount payable in the second contract under consideration, in which an additional 5 percent is paid in the second year and the general agent's overriding commission rate from the 11th to the 15th years inclusive is reduced to 2½ percent.

In comparing the relative returns from general agency and personal business, attention was called to the fact that \$5,000 had been taken as a fair present value of a general agent's net return over 20 years on a single year's production of \$1,000,000, equivalent to the present value of soliciting agent's commissions on \$251,000 of business. This is about as low an equivalent as can be had, and at the same time maintain a healthy organization growth.

#### Increased Service Cost

In view of the ever-increasing pressure for service that is being put upon modern agencies, it is a problem to determine the source of the payment of the corresponding expenses. It is doubtful whether any substantial increase in net cost, due to a general rise in the level of expense allowance from the home office, is practical or desirable. The whole tendency is toward a decrease in unit expense charge. That is bound to be the result of a greater appreciation of life insurance by the public and a consequent wider distribution. As things now stand, the soliciting agent seems to have the better of the argument. It is asked whether in many cases it would not be more equitable if the general agent uniformly retained an overriding margin the first year and perhaps paid renewal commissions at a rate less than 5 percent.



## How Two Bricks Sold a Million Dollar Life Policy—Gifford T. Vermillion of Milwaukee Tells Story of One Big Sale

**H**OW Two Bricks Sold a Million Dollar Policy" is the interesting title of an article written by Gifford T. Vermillion, ace of the Whitney Agency of the Mutual Life of New York at Milwaukee, for the agency publication, "The Field Club." In the article Mr. Vermillion tells, without mentioning any names, exactly how an obscure thought grew into an ambition resulting in the sale of a \$1,000,000 life insurance policy.

Within the past year, Mr. Vermillion has closed several cases involving more than \$1,000,000 and when the annual tabulation of leading life underwriters for 1924 is made, the Milwaukee man should be well up among the country's biggest producers. How he sold one of his million dollar policies is told by Mr. Vermillion in his own words as follows:

"About two and one-half years ago my wife and I were selecting the brick



GIFFORD T. VERMILLION

for a new home that we were building and I happened to see in the office of the brick company two somewhat large and most unusual brick. This brick being out of the ordinary, I was curious to know what it was going to be used for and asked the salesman about it. He informed me that a certain architect had ordered the brick made that way for a home that Mr. Blank of Blank City was building and that it was necessary to make a special kiln to make the brick for which Mr. Blank had to pay a rather large price. I questioned the salesman further about Mr. Blank, and the cost of his home, etc. Upon ascertaining from him all I could about Mr. Blank I made a note of the information and some time later went to my banker for a letter of introduction to Mr. Blank. He, however, did not know him well enough and I asked him who did, so he referred me to another banker. Upon interviewing the second banker he advised me that he did not know Mr. Blank well enough to give me a letter of introduction but advised me that one of the vice-presidents of his bank was very well acquainted with Mr. Blank. I obtained the letter of introduction from the vice-president and went to see Mr. Blank with it. The letter was handed

to the information clerk who turned it over to Mr. Blank's secretary. The secretary informed me that Mr. Blank was busy but that he would give him the letter as soon as he was at leisure. In about a half an hour I was ushered into his office and opened my guns on him full blast.

### Prepares Inheritance Tax Data

"I told him I wanted to prepare a proposal on inheritance tax insurance for his consideration and would phone him in a week or ten days for an appointment to explain it to him, to which he agreed. I went back to my office and spent the next six days preparing the data on the case. I purchased a fine leather binder about one-half inch thick on which I had his name printed in gold letters in the lower right hand corner. My data consisted of inheritance tax literature and charts showing the amount of tax that would be exacted on estates from \$50,000 to \$15,000,000.

"This proposal was drafted somewhat similar to a lawyer's brief, building up the case from the beginning. I learned that he kept on hand at all times a large amount of cash for the purpose of inheritance tax and obtained a report from

Dun's on him and I then proceeded to show him that it would be far more economical to keep his money invested and buy life insurance and that it was better business. I made a personal investigation of him, learning in detail all about his career for the past 24 years, how he had increased the business and that the business was closely owned by his family. In other words, I obtained all the information possible about the individual after having had the first interview. I purchased a book called 'Hidden Liabilities of Property Ownership,' and sent it to him together with some other estate data.

### Closed When New Law Passed

"Upon completion of the proposal I phoned him for an appointment, which he granted. After going over the proposal with him thoroughly he advised me that he would submit it to his attorneys and to phone him in about three weeks. His attorney, however, advised him to wait until the new tax law had been definitely settled by Congress and he, in the meantime, was going to take a trip to Europe. On his return, after the bill had been passed June 2, I went to see him and he said that he would be ready shortly to do business. I then advised him that his age was going to change on a certain date and that he would have to do business before that time if he wished to save the higher rate, and closed him on this interview for \$1,000,000."

### SOME GOOD POINTERS ARE GIVEN FOR THE NOVEMBER CAMPAIGN

THE New York Life gives some clinchers to use during November. They are all timely:

**A "Clearing-House" for Hopeless Prospect Cards.**—At a recent meeting of the New York Life Underwriters' Association a highly successful producer in one of the leading companies brought out, among other sales ideas, the following: He said that every agent has a stack of "cold" prospect cards to which he tenaciously clings despite the fact that there is little likelihood that they will ever materialize into applications for insurance. In his agency, therefore, has been established a "clearing-house," under the supervision of a particular man to whom agents turn in their "cold" prospect cards, and he endeavors to establish contacts with other agents. In many instances business has been salvaged from these seemingly hopeless cases. Try it.

**An Answer That Should Help Clinch Sale.**—A prospect asked Harry Cardell, "Mr. Cardell, how much will this insurance cost me?" "If you will let me have the date of your death, I will figure it out," was Cardell's reply. Few people ever think of it in that way.

**A Real Test of Friendship.**—We know a man who said it was "indelicate, to say the least," for a man to talk life insurance to his friends. A year later the widow of one of his friends, with great grief, and perhaps some bitterness, said to him: "You insurance men say you are friends of widows and orphans—their best friends and often their only friends. Yet you regarded me, your

friend, so lightly that you never asked Henry, as even a stranger might have done, what provision he had made for his family. You have a queer idea of friendship and, it seems to me, a queer idea of business." We life insurance men too often overlook our friends.

**Prolongs Life.**—An editorial in "Collier's" says, "Life insurance is important, not only because of the billions involved, but, even more, because of the effect it has in making folks live longer. They think about it, study it, and do it. That means a better community and a better country. Great Britain sees this and exempts life insurance payments from all income taxes. Our government will do the same thing, as soon as the true effect of life insurance is realized."

**Congregation Insures Its Rabbi.**—A \$25,000 policy was contracted for some time ago by the congregation of the Jewish Temple B'Nai Jehudah at Kansas City, Mo., on the life of the Rabbi, H. H. Mayer, the policies being presented to him at the celebration of his quarter century anniversary as leader of the congregation. The annual premiums were assumed by the church. We have always felt that the insuring of ministers and rabbis by their congregations would be a most fruitful field in many instances. No class is more deserving.

**Big People Carry Big Insurance.**—H. H. Kohlsaat, prominent Chicago publisher and editor, who died last week, and who was well known as the intimate friend of Presidents and other

well-known men, although a wealthy man, realized the value of life insurance by carrying \$800,000 of it.—National Underwriter. Some of it in the New York Life.

### You Have Forgotten Your Daughter.

—A Kansas City life insurance man listened to a prospective client tell him about the very careful investments he had made for his family against his death. As he finished the agent stepped over in front of him and, shaking his finger, impressively exclaimed, "You have forgotten your daughter!" And he had. He bought \$100,000 insurance because of those five words. First year commission for Mr. Salesman—\$400 per word.

What are your words worth? Have you ever weighed them? Can you say a lot in a little? Or do you say so much your prospect cannot remember any of it? Can you make a definite life insurance proposition in four minutes and say it slowly and understandingly? Like metals, words are valued by their scarcity.

### Sarver Sees a Great Opportunity for Women In Life Insurance Work

THERE is a great opportunity for women in life insurance, according to John M. Sarver, president of the Ohio State Life. In that connection, he said:

"Women should appreciate life insurance more than men, since they are the chief beneficiaries of this great institution, primarily designed to protect the home and family life."

The nature of the business makes a strong appeal to the instincts of women who are the home-makers of the land. Many avenues of business are now open for women, and life insurance protection is needed by them as much as by men whenever women have others depending on them for support.

The women who need life insurance can be most readily written by the women who sell it. However, there is nothing to prevent women from selling life insurance to men. They probably can show men why they should protect their families better than men agents. The selling of life insurance is not an easy task, but it yields a high reward for success. Women as well as men possess the qualifications for this form of effort, namely, a strong personality, in which are mingled the elements of initiative, tact, executive ability and the knowledge of human nature. Comparatively few women so far have decided to undertake this important work, because they do not understand how pleasant and remunerative it becomes when success is attained.

"The opportunity is large, the field is inviting and the workers are few."

### Had Big "Honor Month"

The Pan-American Life closed one of its best months October with a production of \$5,300,000. October was "General Agents Month," each agent making a special effort to produce business in honor of his own general agent. The only month that has exceeded this month was president's month.

## General Agent Wanted

The MUTUAL TRUST LIFE INSURANCE COMPANY, of Chicago, has just secured admission to the state of Ohio, and now has a number of openings in various parts of the state on a real general agency proposition.

Mutual Trust is purely mutual and is also one of the few Companies operating on the strictly Full Level Premium Reserve basis. Its policy contracts embody every desirable feature consistent with sound underwriting. It is a Company enjoying an enviable record throughout all the territory in which it operates. Its contract to agents is liberal and is supplemented by 100% Home Office cooperation. If you have the initiative and ability to build a business for yourself, address Mutual Trust Life Insurance Company, Chicago Temple, Chicago.

## THURMAN NEW HEAD OF AGENCY OFFICERS

(CONTINUED FROM PAGE 1)

questions of personnel and organization of the agency department, and its relation to those in the field.

### Lindsay Was in the Chair

The first session of the Association of Life Agency Officers was held Tuesday afternoon with L. Season Lindsay, chairman, presiding. After the general business and reading of the association reports the afternoon was devoted to a discussion of the general subjects, "How are new agents obtained?" All of the delegates had been requested to have as complete information as possible, so that actual company experience could be obtained.

During the morning session there were three brief interruptions, the association rising at 11 o'clock to pay tribute to the nation's dead on Armistice Day and also extending a hearty welcome to John William Clegg, president of the National Association of Life Underwriters, and George Graham, president of the American Life Convention when they entered the room.

A. Gordon Ramsay of the Canada Life

in speaking of agency work, said that his company stressed the opportunity for promotion. In securing new agents and stimulating its men up and down the line, it constantly holds before them the goal of a managership or some other position higher up. He said that this gets the men interested in their work. Another feature, that he finds beneficial is securing the photographs of all the club members, making cuts and having them published in booklet form. When managers therefore are trying to interest new men in the business, they show them the pictures of these prominent producers, so that they can see what kind of men are really working in life insurance. Mr. Ramsay said that his company has uniform contracts throughout the entire field. There is no discrimination whatever.

### Prominent Men Speak

At the Tuesday afternoon session, agency organization problems were discussed by Charles H. Langmuir, New York Life; Dr. John A. Stevenson, Equitable Life of New York; James W. Simpson, Sun Life of Canada; O. J. Lacy, Minnesota Mutual Life; Oliver Thurman, Mutual Benefit Life and K. A. Luther, Aetna Life. Mr. Langmuir in the course of his talk, said that he had visited eight home offices, largely in the New England states recently. He was cordially received everywhere and shown everything in the shop. He said that he was impressed by the fact that here were companies that were very successful, and yet their methods at times seemed diametrically opposed, so far as the agency departments were concerned.

He declare that no standard could be set for every man to follow religiously. The successful agency man, he said, applies his energy and talents along the line of his special ability and personal gifts. He is particularly strong in some direction. His training, his education, and his imagination lead him along a certain course. His mental and personal equipment has much to do with guiding his destiny. Mr. Langmuir said that because a man sees another company successful in getting business, it does not mean that his method should be scrapped entirely. He can gain ideas and suggestions from the methods pursued by other companies. To a certain extent he may use these to investigate or modify his own system. He can adapt some of these ideas. In the long run however, his individuality must count. He must be the creator of his own system.

### Kansan Wins Contest

Kansas won the big contest staged by district managers for the Fidelity Mutual Life in October. Russell Grimes, manager for Kansas, carried off the prize, a trip to the home office, by writing 105 separate policies on as many different lives within 30 days. At the annual conference of the agents in September at White Sulphur Springs, Va., the managers joined in a contest, agreeing to write 100 separate policies for an equal number of persons within the 30 days from Oct. 5 to Nov. 5. Mr. Grimes won the contest by writing 105. No other agent came up to his mark and only a few were able to reach the 100 policies mark for the 30 days.

### First Claim Under Guard Policy

The first claim of a member of the Kansas National Guard under the group insurance plan adopted last summer was paid by the Travelers before it had received the first premiums and before the policies had been issued. The claim was for \$1,000 and was paid to the widow of Otis L. Berdine of Wichita. Berdine was a private in Company I, 137th field artillery. This unit was the first of the Kansas Guard to complete its insurance, as the Kansas Guard was the first in any state to complete the contract for group insurance. The claim of the Berdine estate also becomes the first claim of the kind ever paid in this country.

## Our Agents Have A Wider Field— An Increased Opportunity Because We Have

**Age Limits from 0 to 60.**

**Policies for substantial amounts (up to \$5,000) for Children on variety of Life and Endowment plans, thus enabling parents to buy all of the Family's insurance on the Ordinary, i.e. Annual, Semi-annual or Quarterly Premium plan.**

**Participating and Non-Participating Policies.**

**Same Rates for Males and Females.**

**Double Indemnity and Total and Permanent Disability features for Males and Females alike.**

**Standard and Substandard Risk Contracts, i. e. less work for nothing.**

**We have openings in Ala., Ariz., Ark., Dela., D. C., Fla., Ga., Ill., Ia., Kans., Md., Mich., Minn., Miss., N. M., N. C., Okla., S. D., W. Va., Wyo.**

## THE OLD COLONY LIFE INSURANCE COMPANY of CHICAGO, ILL.

B. R. NUESKE, President

The Company has its Home Office in its own building at 166 W. Jackson Blvd., running through to Quincy and Wells Streets, right in the heart of *Chicago's Financial district*.

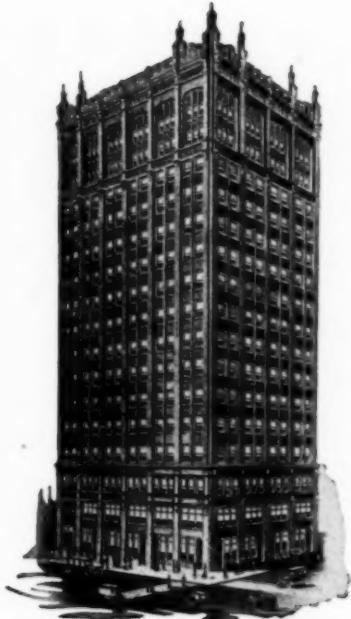
1924  
that  
unity  
ents  
own  
them  
ome  
that  
their  
nds  
phs  
cuts  
are  
usin  
hey  
ally  
am  
orm  
eld.

ion,  
diss  
new  
on.  
W.  
J.  
ver  
K.  
uir  
he  
ely  
He  
and  
aid  
hat  
ucne  
far  
on-

be  
aid,  
the  
nal  
me  
on,  
a  
nal  
ing  
hat  
any  
es  
be  
reas  
ur  
ain  
ate  
ran  
ng  
ust  
his

by  
u  
es,  
he  
it  
ny  
the  
sp  
a.,  
ee  
an  
30  
es  
No  
nd  
00

the  
up  
was  
re  
ore  
im  
the  
ta.  
I,  
the  
ete  
was  
the  
im  
the  
his



PEOPLE'S LIFE BUILDING

A. E. Sullivan  
State Supt. Indiana  
505 Lombard Building  
Indianapolis, Indiana

Did you ever notice the fellow who gets out and really hustles? Watch him the next time you see him. He smiles when the going is rough, and he takes the hard knocks as he finds them, but he certainly is there at the finish.

All he asks is a square deal, a little encouragement, and he'll produce business that counts. Give him a company like the Peoples Life, with its friendly aid and interest; then watch his record. It will be worth watching.

## THE **PEOPLES LIFE** INSURANCE COMPANY

Chicago, Illinois

Kindly address Dr. Shepherd with  
reference to available territory

R. P. SHEPHERD, Ph. D.  
*Educational Director*  
Room 304 Peoples Life Building, Chicago

## THE **STATE LIFE** INSURANCE COMPANY INDIANAPOLIS

MORE THAN  
**TWENTY-ONE MILLION DOLLARS IN SECURITIES**

Deposited with the State of Indiana for the  
Sole Protection of Policyholders

**PROGRESSIVE :: CONSERVATIVE**

**The Growth of Oak The Solidity of Granite**

On Agency Matters Address, CHARLES F. COFFIN, Vice-President

ARE  
YOU  
INTERESTED  
?

OH ! WHAT WILL  
WE DO ?? NO  
MONEY LEFT,  
OUR HOME  
MUST GO !

YOUR HUSBAND  
LAPSED HIS  
POLICY IT  
HAS NO VALUE



THE LAPSED POLICY BRINGS DESPAIR.

### ILLINOIS MANAGERS WANTED

At Bloomington — Freeport — La Salle  
Elgin — Peoria — Springfield

Also some fine General Agency openings in  
Eastern IOWA and Eastern MISSOURI

LIBERAL CONTRACTS—STANDARD and SUB STANDARD Risks

**RESERVE LOAN LIFE**  
INSURANCE COMPANY  
INDIANAPOLIS, INDIANA. —

